PROSPECTUS
Dated August 4, 2017
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

SECURITY AND INTELLIGENCE SERVICES (INDIA) LIMITED

Our Company was incorporated as 'Security and Intelligence Services (Eastern India) Private Limited', a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies, Bihar and Jharkhand (Patna) ("**RoC**") on January 2, 1985 at Patna. The name of our Company was changed to 'Security and Intelligence Services (India) Private Limited' and a fresh certificate of incorporation was issued by the RoC on May 27, 1992. Subsequently, the name of our Company was changed to 'Security and Intelligence Services (India) Limited' upon conversion of our Company into a public limited company and a fresh certificate of incorporation issued by the RoC on July 29, 1993. For details of changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 211.

Registered Office: Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India; **Telephone**: +91 612 226 6666; **Facsimile**: +91 612 226 3948
Corporate Office: A – 28 and 29, Okhla Industrial Area Phase – I, New Delhi 110 020, India; **Telephone**: +91 11 4646 4444; **Facsimile:** +91 11 4646 4400
Contact Person: Pushpa Latha Katkuri, Company Secretary and Compliance Officer; **Telephone**: + 91 80 2559 0801; **Facsimile**: +91 80 2559 0804
E-mail: compliance@sisindia.com; **Website**: www.sisindia.com; **Corporate Identity Number:** U75230BR1985PLC002083

PROMOTERS OF OUR COMPANY: RAVINDRA KISHORE SINHA AND RITURAJ KISHORE SINHA

INITIAL PUBLIC OFFERING OF 9,565,404* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SECURITY AND INTELLIGENCE SERVICES (INDIA) LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 815 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 805 PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹ 7,795.80 MILLION* (THE "OFFER") COMPRISING OF A FRESH ISSUE OF 4,444,785* EQUITY SHARES BY OUR COMPANY AGGREGATING TO ₹ 3,622.50 MILLION* (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 5,120,619* EQUITY SHARES AGGREGATING TO ₹ 4,173.30 MILLION* BY THE SELLING SHAREHOLDERS, COMPRISING AN OFFER FOR SALE OF 3,402,764* EQUITY SHARES AGGREGATING TO ₹ 2,773.25 MILLION* BY THEANO PRIVATE LIMITED, AN OFFER FOR SALE OF 68,336* EQUITY SHARES AGGREGATING TO ₹ 55.69 MILLION* BY AAJV INVESTMENT TRUST (TOGETHER, THE "INVESTOR SELLING SHAREHOLDERS"), AN OFFER FOR SALE OF 786,517* EQUITY SHARES AGGREGATING TO ₹ 641.01 MILLION* BY RAVINDRA KISHORE SINHA, AN OFFER FOR SALE OF 524,345* EQUITY SHARES AGGREGATING TO ₹ 427.34 MILLION* BY RITURAJ KISHORE SINHA (TOGETHER, THE "PROMOTER SELLING SHAREHOLDERS"), AND AN OFFER FOR SALE OF 338,657* EQUITY SHARES AGGREGATING TO ₹ 276.01 MILLION* BY THE OTHER SELLING SHAREHOLDERS (DEFINED HEREINAFTER) (TOGETHER, THE "OFFER FOR SALE"). THE OFFER CONSTITUTES 13.07%* OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

* ***Subject to finalisation of the Basis of Allotment.***

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 EACH. THE OFFER PRICE IS 81.5 TIMES THE FACE VALUE OF THE EQUITY SHARES.

The Offer is being made in terms of Rule 19(2) (b) (iii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), wherein at least 10% of the post-Offer paid-up Equity Share capital of our Company was offered to the public. The Offer is being made through the Book Building Process 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**"), wherein at least 75% of the Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"), provided that our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs have allocated up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. The number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) were available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was made available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Offer was made available for allocation on a proportionate basis to Non Institutional Bidders and not more than 10% of the Offer was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders, other than Anchor Investors, participated in the Offer mandatorily through the Applications Supported by Blocked Amount ("**ASBA**") process by providing the details of their respective bank accounts in which the corresponding Bid Amount was blocked by the SCSBs. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" on page 542.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of the Issuer, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 81.50 times of the face value of our Equity Shares. The Offer Price, as determined and justified by our Company and the Investor Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers in accordance with the SEBI ICDR Regulations and as stated in "*Basis for Offer Price*" on page 142 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor 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 this 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 this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares 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 Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 20.

COMPANY AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated October 14, 2016 and November 3, 2016, respectively. For the purposes of this Offer, NSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus was delivered for registration to the RoC and a copy of this 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 that were made 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 679.

GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS

Axis Capital Limited 1st Floor, Axis House, C-2, Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Maharashtra, India **Tel:** + 91 22 4325 2183 **Facsimile:** +91 22 4325 3000 **E-mail:** sis.ipo@axiscap.in **Investor grievance E-mail:** complaints@axiscap.in **Website:** www.axiscapital.co.in **Contact person:** Lohit Sharma **SEBI Registration No.:** INM000012029	**ICICI Securities Limited** ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020, Maharashtra, India **Tel :** +91 22 2288 2460 **Facsimile :** +91 22 2282 6580 **E-mail:** sis.ipo@icicisecurities.com **Investor grievance E-mail:** customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact Person:** Anurag Byas **SEBI Registration No.:** INM000011179	**IIFL Holdings Limited** 10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg, Lower Parel (West) Mumbai 400 013, Maharashtra, India **Tel:** +91 22 4646 4600 **Facsimile:** +91 22 2493 1073 **E-mail:** sis.ipo@iiflcap.com **Investor grievance E-mail:** ig.ib@iiflcap.com **Website:** www.iiflcap.com **Contact Person:** Vishal Bangard/ Ankur Agarwal **SEBI Registration No.:** INM000010940	**Kotak Mahindra Capital Company Limited** 1st Floor, 27 BKC, Plot No. 27 "G" Block, Bandra Kurla Complex, Bandra (East) Mumbai 400 051, Maharashtra, India **Tel:** +91 22 4336 0000 **Facsimile:** +91 22 6713 2447 **E-mail:** sis.ipo@kotak.com **Investor grievance E-mail:** kmccredressal@kotak.com **Website:** www.investmentbank.kotak.com **Contact Person:** Ganesh Rane **SEBI Registration No.:** INM000008704

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
SBI Capital Markets Limited 202, Maker Tower E, Cuffe Parade Mumbai 400 005, Maharashtra, India **Tel:** +91 22 2217 8300 **Facsimile:** +91 22 2218 8332 **E-mail:** sis.ipo@sbicaps.com **Investor Grievance E-mail:** investor.relations@sbicaps.com **Website:** www.sbicaps.com **Contact Person:** Aditya Deshpande **SEBI Registration No.:** INM000003531	**Yes Securities (India) Limited** IFC, Tower 1 & 2, Unit no. 602 A 6th Floor, Senapati Bapat Marg Elphinstone Road, Mumbai 400 013 **Tel.**: +91 22 3347 7364 **Facsimile**: +91 22 2421 4508 **E-mail**: sis.ipo@yessecuritiesltd.in **Investor grievance E-mail**: igc@yessecuritiesltd.in **Website**: www.yesinvest.in **Contact Person**: Aditya Vora **SEBI Registration No.**: MB/INM000012227	**IDBI Capital Markets & Securities Limited** *(Formerly known as IDBI Capital Market Services Limited)* 3rd Floor, Mafatlal Centre, Nariman Point Mumbai 400 021 Maharashtra, India **Tel:** +91 22 4322 1212 **Facsimile:** +91 22 2285 0785 **Email:**sis.ipo@idbicapital.com **Investor grievance E-mail:** redressal@idbicapital.com **Website:** www.idbicapital.com **Contact Person:** Astha Daga **SEBI Registration No.:** INM000010866	**Link Intime India Private Limited** C 101, 247 Park L.B.S. Marg, Vikhroli West, Mumbai 400 083 **Telephone:** +91 22 4918 6200 **Facsimile:** +91-22 4918 6195 **E-mail:** sis.ipo@linkintime.co.in **Investor Grievance E-mail:** sis.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/OFFER PROGRAMME*

BID/ OFFER OPENED ON: *	**JULY 31, 2017**
BID/ OFFER CLOSED ON:	**AUGUST 2, 2017**

* *The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date i.e.,July 28, 2017 .*

TABLE OF CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This 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 or re-enacted from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

Unless the context otherwise indicates or implies, all references to "the Issuer", "the Company", "our Company" are references to Security and Intelligence Services (India) Limited and references to "we", "our" or "us" are references to our Company, together with its Subsidiaries and Joint Ventures (as defined below).

Company Related Terms

Term	Description
AAJV	AAJV Investment Trust.
Andwills	Andwills Pty Ltd.
Articles or Articles of Association or AoA	The articles of association of our Company, as amended.
Associate Company(ies)	The associates of our Company in terms of the Companies Act, 2013, being our Joint Ventures.
Audit Committee	The audit committee of our Board, as described in "*Our Management*" on page 251.
Auditors or Statutory Auditors	Statutory auditors of our Company, namely, M/s A. Mitra & Associates, Chartered Accountants.
Australia Security	Australian Security Connections Pty. Ltd.
Board or Board of Directors	The board of directors of our Company, including a duly constituted committee thereof.
Corporate Office	The corporate office of our Company, located at A – 28 and A – 29, Okhla Industrial Area Phase – I, New Delhi 110 020, India.
CSR Committee	The corporate social responsibility committee of our Board, as described in "*Our Management*" on page 251.
CCD(s)	Compulsorily convertible debentures of our Company of face value of ₹ 100 each.
CCPS	Compulsorily convertible preference shares of our Company of face value of ₹ 100 each.
D. E. Shaw	D. E. Shaw Composite Investments (Mauritius) Limited, PCC.
Dusters	Dusters Total Solutions Services Private Limited.
Director(s)	Director(s) on our Board.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
ESOP 2008	The Security and Intelligence Services (India) Limited Employee Stock Option Plan 2008 (as amended).
ESOP 2016	The Security and Intelligence Services (India) Limited Employee Stock Option Plan 2016.
ESOP Schemes	Collectively, ESOP 2008 and ESOP 2016.
Freedonia Report	Report titled "*Australian Security Services*" dated September 6, 2016 (and updated by a report titled "*Australian Security Services – Updated Guidance*" dated July 6, 2017) prepared by Freedonia.
F&S Report	Report titled *"Assessment of Security Services and Facility Management Markets in India"* dated September 16, 2016 (and updated by a report titled "*2017 Update of Security Services and FM Market*" dated July 6, 2017), prepared by Frost & Sullivan.
Group Companies	Companies which are covered under the applicable accounting standards and other companies as considered material by our Board, listed out in "*Our Group Companies*" on page 274.
Habitat Security	Habitat Security Pty Limited.
Investor Selling Shareholders	Collectively, Theano and AAJV.
Investment Agreement	The investment agreement dated April 3, 2013 between our Company, Ravindra Kishore Sinha, Rita Kishore Sinha, Rituraj Kishore Sinha, Rivoli Sinha Aggarwal, Vocational Skills Council (India) Private Limited, Theano and AAJV (as amended by the first amendment agreement dated May 19, 2015, the Second Amendment Agreement and the Letter Amendment).
Joint Venture(s)	The joint ventures of our Company, namely, SIS Cash Services Private Limited (including

Term	Description
	its subsidiaries, namely SIS Prosegur Holdings Private Limited and SIS Prosegur Cash Logistics Private Limited), SIS Prosegur Alarm Monitoring and Response Services Private Limited and Habitat Security Pty Limited.
IPO Committee	The committee constituted by our Board for the Offer, as described in "*Our Management*" on page 251.
ISS	ISS SDB Security Services Private Limited.
Key Management Personnel	Key management personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013 and as disclosed in "*Our Management*" on page 251.
Letter Amendment	The letter agreement dated July 10, 2017 between the parties to the Second Amendment Agreement.
Lotus	Lotus Learning Private Limited.
Maha Manav	Maha Manav Mritunjay Institute of Yoga & Alternative Medicine Limited.
Memorandum or Memorandum of Association or MoA	The memorandum of association of our Company, as amended.
Mrityunjay Educational	Mrityunjay Educational Foundation Limited.
MSS	MSS Security Pty. Ltd.
MSS Security Holdings	SIS MSS Security Holdings Pty. Ltd.
MSS Strategic	MSS Strategic Medical and Rescue Pty. Ltd.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in "*Our Management*" on page 251.
OFCD(s)	Optionally fully convertible debentures of our Company.
Other Selling Shareholders	Collectively, 45 shareholders of our Company, who have authorised our Company Secretary and Compliance Officer as their constituted attorney for participation in the Offer for Sale. A list of the Selling Shareholders and their respective Offered Shares is set forth in "*The Offer*" on page 85.
Proforma Financial Statements	The proforma financial statements of our Company, comprising of the proforma balance sheet as at March 31, 2017 and the proforma statement of profit and loss for the fiscal year ended March 31, 2017, read with the notes thereto. The Proforma Financial Statements have been prepared to reflect (a) the impact of a material acquisition, i.e. of Andwills by our Company (on a consolidated basis) after the date of the latest annual audited financial statements of our Company, i.e. the financial year ended March 31, 2017, and (b) the impact of the material acquisition of Dusters (on a consolidated basis) by our Company during the financial year ended March 31, 2017. The Proforma Financial Statements have been prepared, based on the same accounting policies as our restated consolidated financial statements, to show the main effects of such acquisitions on our results of operations *i.e.* (i) the unaudited pro forma statements of profit and loss for year ended March 31, 2017 combines the financial statements of our Company, Andwills and Dusters for the aforesaid period, as if all acquisitions had taken place on April 1, 2016; and (ii) the unaudited pro forma balance sheet as at March 31, 2017 has been prepared to reflect the acquisition by our Company of Andwills as of March 31, 2017. The Proforma Financial Statements do not take into account the further acquisition of 7.20% of the outstanding equity shares of Dusters by us on July 31, 2017.
Promoter Group	The 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 270.
Promoters	The promoters of our Company, being Ravindra Kishore Sinha and Rituraj Kishore Sinha.
Promoter Selling Shareholders	Collectively, Ravindra Kishore Sinha and Rituraj Kishore Sinha.
Prosegur	Prosegur Compania de Seguridad S.A.
Registered Office	The registered office of our Company located at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.
Registrar of Companies or RoC	Registrar of Companies, Bihar and Jharkhand (Patna).
Restated Consolidated Financial Statements	The audited consolidated financial statements of our Company as of and for the fiscal years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 together with the related notes, schedules and annexures thereto, prepared in accordance with applicable provisions of the Companies Act and Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements.

Term	Description
Restated Standalone Financial Statements	The audited standalone financial statements of our Company as of and for the fiscal years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 together with the related notes, schedules and annexures thereto, prepared in accordance with applicable provisions of the Companies Act and Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Ritu Raj Resorts	Ritu Raj Resorts Limited.
SAHL	SIS Australia Holdings Limited.
Saksham Bharat Skills	Saksham Bharat Skills Limited.
Second Amendment Agreement	The second amendment agreement dated September 26, 2016 to the Investment Agreement.
Selling Shareholders	Collectively, the Investor Selling Shareholders, the Promoter Selling Shareholders and the Other Selling Shareholders.
Security Skills Council	Security Skills Council (India) Limited.
ServiceMaster	The ServiceMaster Company, LLC.
SEWA	SIS Employee Welfare Activity Charitable Trust.
SIHL	SIS International Holdings Limited.
SIS Asia Pacific	SIS Asia Pacific Holdings Limited.
SIS Asset Management	SIS Asset Management Private Limited (formerly known as Tech SIS Access Management System Private Limited).
SIS Australia Group	SIS Australia Group Pty. Limited.
SIS Business Support	SIS Business Support Services and Solutions Private Limited.
SIS Group International	SIS Group International Holdings Pty. Ltd.
SIS Cash	SIS Cash Services Private Limited.
SIS Prosegur	SIS Prosegur Holdings Private Limited.
SIS Alarms	SIS Prosegur Alarm Monitoring and Response Services Private Limited.
SIS Prosegur Cash Logistics	SIS Prosegur Cash Logistics Private Limited.
SIS Terminix	Terminix SIS India Private Limited.
SISCO Security	SISCO Security Services Private Limited
SMC	Service Master Clean Limited.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board as described in "*Our Management*" on page 251.
Subsidiaries	The direct and indirect subsidiaries of our Company as set out in "*History and Certain Corporate Matters – Subsidiaries of our Company*" on page 225.
Sunrays Overseas	Sunrays Overseas Private Limited.
Superb Intelligence	Superb Intelligence and Security Private Limited
SVM Services	SVM Services (Singapore) Pte. Ltd.
SXP	Southern Cross Protection Pty. Ltd.
SX Protective	SX Protective Services Pty Ltd.
Tech SIS	Tech SIS Limited.
Terminix	Terminix International Company LLP.
Theano	Theano Private Limited.
Vardan Overseas	Vardan Overseas Private Limited.
Vocational Skills Council	Vocational Skills Council India Private Limited.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary (ies) to the Bidder as proof of registration of the Bid.
Allot or Allotment or Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom an Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer who applied under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	₹ 815 per Equity Share, being the price at which Equity Shares were allocated to Anchor

Term	Description
	Investors according to the terms of the Red Herring Prospectus and this Prospectus, which was decided by our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus.
Anchor Investor Bid/ Offer Period or Anchor Investor Bidding Date	July 28, 2017, being the day, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors were submitted and allocation to Anchor Investors was completed.
Anchor Investor Offer Price	₹ 815 per Equity Share, being the final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus. The Anchor Investor Offer Price has been decided by our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs.
Anchor Investor Portion	60% of the QIB Portion which was allocated by our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
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, not later than two Working Days after the Bid/ Offer Closing Date.
ASBA or Application Supported by Blocked Amount	The application (whether physical or electronic) used by an ASBA Bidder to make a Bid authorising the relevant SCSB to block the Bid Amount in the relevant ASBA Account.
ASBA Account	An 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 Bidder(s)	All Bidders other than Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus.
Axis	Axis Capital Limited.
Banker to the Offer or Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account has been opened, in this case being ICICI Bank Limited.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 542.
Bid(s)	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidders, and payable by an Anchor Investor or blocked in the ASBA Account upon submission of the Bid in the Offer.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bidder	Any prospective investor who made 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 Centres	Centres at which the Designated Intermediaries accepted the ASBA Forms, *i.e.*, Designated SCSB Branches for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	18 Equity Shares and in multiples of 18 Equity Shares thereafter.
Bid/ Offer Closing Date	August 2, 2017

Term	Description
Bid/ Offer Opening Date	July 31, 2017
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 Bidders submitted their Bids, including any revisions thereof.
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	The book running lead managers to the Offer, being SBI Capital Markets Limited, Yes Securities (India) Limited, IDBI Capital Markets & Securities Limited
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
CAN or 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	₹ 815 per Equity Share, being the higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price were not finalised and above which no Bids were accepted.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
CDP or Collecting Depository Participant	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.
Corrigendum Notice	The corrigendum notice dated July 25, 2017 to the Red Herring Prospectus.
Cut-Off Price	Offer Price finalised by our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, in this case being ₹ 815 per Equity Share. Only Retail Individual Bidders were entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price.
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders submitted the ASBA Forms. 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 (at www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account, and the SCSBs transfer funds from the ASBA Accounts to the Public Offer Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which our Board of Directors shall Allot Equity Shares to successful Bidders in the Fresh Issue and the Selling Shareholders may give delivery instructions for the transfer of the respective Offered Shares.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/ agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders in the Offer.
Designated RTA Locations	Such locations of the RTAs where Bidders submitted 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 at www.bseindia.com and www.nseindia.com, respectively.
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Red Herring Prospectus or DRHP	The draft red herring prospectus dated September 26, 2016, issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer (including any addenda or corrigenda thereto).
Eligible NRI	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 Bid cum Application Form and the

Term	Description
	Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Escrow Account	An account opened with the Escrow Collection Bank and in whose favour Anchor Investors transfered the money through direct credit/NEFT/RTGS in respect of the Bid Amount while submitting a Bid.
Escrow Agreement	The agreement dated July 17, 2017 between our Company, the Selling Shareholders, the Registrar to the Offer, the GCBRLMs, the BRLMs, the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
First or sole Bidder	The 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	₹ 805 per Equity Share, being the lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price were finalised and below which no Bids were accepted.
Fresh Issue	The issue of 4,444,785* Equity Shares aggregating up to ₹ 3,622.50 million* by our Company for subscription pursuant to the terms of the Red Herring Prospectus and this Prospectus. **Subject to finalisation of the Basis of Allotment.*
General Information Document or GID	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and updated pursuant to, *inter alia*, the circulars (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, (CIR/CFD/DIL/1/2016) dated January 1, 2016, and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by SEBI and included in "*Offer Procedure*" on page 542.
Global Coordinators and Book Running Lead Managers or GCBRLMs	The global coordinators and book running lead managers to the Offer, being Axis Capital Limited, ICICI Securities Limited, IIFL Holdings Limited and Kotak Mahindra Capital Company Limited.
IDBI Capital	IDBI Capital Markets & Securities Limited (*formerly known as IDBI Capital Market Services Limited*).
IIFL	IIFL Holdings Limited.
ISEC	ICICI Securities Limited.
Kotak	Kotak Mahindra Capital Company 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.
Mutual Fund Portion	5% of the Net QIB Portion or 143,482* Equity Shares which was available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price. **Subject to finalisation of the Basis of Allotment.*
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Monitoring Agency	Yes Bank Limited
Monitoring Agency Agreement	The agreement dated July 18, 2017 between our Company and the Monitoring Agency.
Net Proceeds	The Offer Proceeds less the amount to be raised with respect to the Offer for Sale and less our Company's share of the Offer expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹200,000.
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer consisting of 1,434,810* Equity Shares which was available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Offer Price. **Subject to finalisation of the Basis of Allotment.*
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes FPIs, FVCIs and NRIs.
Offer	The initial public offer of 9,565,404* Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 815 each, consisting of the Fresh Issue and the Offer for Sale.

Term	Description
	Subject to finalisation of the Basis of Allotment.
Offer Agreement	The agreement dated September 26, 2016 between our Company, the Selling Shareholders, the GCBRLMs and the BRLMs, pursuant to which certain arrangements were agreed to in relation to the Offer.
Offer for Sale	The offer for sale of 5,120,619* Equity Shares aggregating to ₹ 4,173.30 million* by the Selling Shareholders, in terms of the Red Herring Prospectus. *Subject to finalisation of the Basis of Allotment.*
Offer Price	₹ 815 per Equity Share, being the final price at which Equity Shares will be Allotted to successful Bidders in terms of the Red Herring Prospectus and this Prospectus. The Offer Price has been decided by our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs on the Pricing Date, in accordance with the Book-Building Process and the terms of the Red Herring Prospectus.
Offered Shares	Equity Shares being offered for sale by the Selling Shareholders in the Offer.
Offer Proceeds	The proceeds of this Offer based on the total number of Equity Shares Allotted under this Offer and the Offer Price.
Price Band	The price band ranging from the Floor Price of ₹ 805 per Equity Share to the Cap Price of ₹ 815 per Equity Share. The Price Band and minimum Bid lot size were decided by our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs and advertised in all editions of the English daily newspaper Financial Express, all editions of the Hindi daily newspaper Jansatta and the Patna edition of Hindi newspaper, Business Standard (Hindi being the regional language in the state 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 with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and were made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, finalised the Offer Price.
Prospectus	This Prospectus dated August 4, 2017 to be filed with the RoC on or 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	The bank account opened with the Banker to the Offer under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1) (zd) of the SEBI ICDR Regulations. Multilateral and bilateral development financial institutions and FVCIs (which are defined as QIBs under the SEBI ICDR Regulations) cannot participate in the Offer. See "*Offer Procedure Part A – Bids by FPIs*" on page 544.
QIB Bidders	QIBs who Bid in the Offer.
QIB Portion	The portion of the Offer, being at least 75% of the Offer, which shall be Allotted to QIBs (including Anchor Investors).
Red Herring Prospectus or RHP	The red herring prospectus dated July 19, 2017 issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares was offered and the size of the Offer, including the Corrigendum Notice, and which was registered with the RoC.
Refund Account	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	The Banker to the Offer with whom the Refund Account(s) has been opened, in this case being ICICI Bank Limited.
Registrar Agreement	The agreement dated September 26, 2016 between 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.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any

Term	Description
	of the Broker Centres.
RTAs or Registrar and Share Transfer Agents	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 or Registrar	Link Intime India Private Limited.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Bidder(s) or Retail Individual Investor(s) or RII(s) or RIB(s)	Resident Indian individual Bidders submitting Bids, 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).
Retail Portion	The portion of the Offer being not more than 10% of the Offer, consisting of 956,540* Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations. **Subject to finalisation of the Basis of Allotment.*
Revision Form	Form used by the Bidders (other than QIBs and Non-Institutional Investors) to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to modify their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders could revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date.
SBICAP	SBI Capital Markets Limited.
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time.
Share Escrow Agent	The escrow agent appointed pursuant to the Share Escrow Agreement, namely Link Intime India Private Limited.
Share Escrow Agreement	The agreement dated January 24, 2017 between our Company, the Selling Shareholders and the Share Escrow Agent and as amended by the amendment agreement dated July 17, 2017, in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate accepted ASBA Forms from Bidders.
STT	Securities transaction tax.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the GCBRLMs, the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated July 17, 2017 between our Company, the Registrar to the Offer, the Selling Shareholders, the GCBRLMs, the BRLMs and the Syndicate Members in relation to the procurement 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, Kotak Securities Limited, India Infoline Limited and SBICAP Securities Limited.
Syndicate or Members of the Syndicate	The GCBRLMs, the BRLMs and the Syndicate Members.
Underwriters	The GCBRLMs, the BRLMs and the Syndicate Members.
Underwriting Agreement	The agreement dated August 4, 2017 between the Underwriters, our Company and the Selling Shareholders, entered into on or after the Pricing Date but prior to filing of this Prospectus.
Working Day	"Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/Offer Closing Date, "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.

Term	Description
Yes Securities	Yes Securities (India) Limited.

Technical/ Industry Related Terms/ Abbreviations

Term	Description
ATM	Automatic teller machine.
Arms Regulations	Collectively, the Arms Act, 1959 and the Arms Rules, 1962.
BFSI	Banking, Financial Services and Insurance.
CIT	Cash in transit.
Competent Authority(ies)	The controlling authority(ies) appointed pursuant to Section 3 of the PSARA.
Contract Labour Act	Contract Labour (Regulation & Abolition) Act, 1970.
DSB	Doorstep banking.
Employees State Insurance Act	Employees State Insurance Act, 1948.
Employees Provident Fund Act	Employees Provident Funds and Miscellaneous Provisions Act, 1952.
ESAS	Electronic security as a service.
Frost & Sullivan	Frost & Sullivan (India) Private Limited.
Freedonia	Freedonia Custom Research, a division of MarketResearch.com, Inc.
FMCG	Fast moving consumer goods.
Indian Penal Code	Indian Penal Code, 1860.
Insecticides Act	Insecticides Act, 1968.
Insecticides Rules	Insecticides Rules, 1971.
Industrial Disputes Act	Industrial Disputes Act, 1947.
ISO	Industrial Standards Organisation.
IT	Information technology.
IteS	Information technology enabled services.
JSARA	Jammu and Kashmir Private Security Agencies (Regulation) Act, 2015.
Minimum Wages Act	The Minimum Wages Act, 1948.
Negotiable Instruments Act	Negotiable Instrument Act, 1881.
PSA Model Rules	The Private Securities Agencies Central Model Rules, 2006.
PSARA	Private Security Agencies (Regulation) Act, 2005.
PSARA Approval	License to carry on the business of a private security agency, as granted under PSARA.
SAS	Service assurance system.
Workmen's Compensation Act	Workmen's Compensation Act, 1923

Conventional and General Terms or Abbreviations

Term	Description
₹ or Rs. Or Rupees or INR	Indian Rupees, the official currency of the Republic of India.
A$ or AUD	Australian Dollars, the official currency of the Commonwealth of Australia.
AGM	Annual general meeting.
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
AS or Accounting Standards	Accounting standards issued by the Institute of Chartered Accountants of India.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
Category II FPI	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Category III FPI	FPIs registered as "Category III foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
CDSL	Central Depository Services (India) Limited.
CENVAT	Central Value Added Tax.
CEO	Chief Executive Officer.
CESTAT	Customs, Excise and Service Tax Appellate Tribunal.
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
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

Term	Description
	rules made thereunder.
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections by the Ministry of Corporate Affairs, Government of India as of the date of this Prospectus, along with the relevant rules made thereunder.
COO	Chief Operating Officer.
CSR	Corporate social responsibility.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, read with regulations thereunder.
DIN	Director Identification Number.
DP ID	Depository Participant's Identification.
DP or Depository Participant	A depository participant as defined under the Depositories Act.
DRP	Disaster recovery planning.
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.
EBITDA	Earnings before interest, taxes, depreciation and amortisation.
EGM	Extraordinary General Meeting.
EPS	Earnings Per Share.
ERP	Enterprise Resource Planning.
FAQ	Frequently asked question.
FDI	Foreign Direct Investment.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
FEMA Security Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
FCNR	Foreign currency non-resident account.
FDI Circular	Consolidated Foreign Direct Investment policy circular of 2016, effective from June 7, 2016, issued by the DIPP.
Financial Year or Fiscal or Fiscal Year or 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.
GoI or Government or Central Government	Government of India.
GST	Goods and Services Tax.
HUF	Hindu Undivided Family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Income Tax Act	The Income Tax Act, 1961, read with rules thereunder.
Ind AS	Indian Accounting Standards.
India	Republic of India.
Indian Accounting Standard Rules	The Companies (Indian Accounting Standards) Rules of 2015.
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO	Initial public offering.
IRDA	Insurance Regulatory and Development Authority of India.
IRR	Internal rate of return.
IST	Indian Standard Time.
IT	Information technology.
MCA	Ministry of Corporate Affairs, Government of India.
MICR	Magnetic ink character recognition.
MoU	Memorandum of Understanding.
Mn or mn	Million.
N.A. or NA	Not Applicable.
NACH	National Automated Clearing House.
NAV	Net Asset Value.
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(zla) of the SEBI ICDR Regulations.

Term	Description
NCLT	National Company Law Tribunal.
NEFT	National Electronic Fund Transfer.
NRE Account	Non-Resident External account.
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to 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.
Press Note 5	Press Note 5 of 2016, issued by the DIPP.
Press Note 8	Press Note 8 of 2015, issued by the DIPP.
RBI	Reserve Bank of India.
RONW	Return on net worth.
RTGS	Real Time Gross Settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992.
SEBI Adjudication Rules	Securities and Exchange Board of India (Procedure for Holding an Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
Stamp Act	The Indian Stamp Act, 1899.
State Government	The government of a state in India.
Stock Exchanges	The BSE and the NSE.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
TAN	Tax deduction account number.
TDS	Tax deducted at source.
U.S. or USA or United States	United States of America.
USD or US$	United States Dollars.
U.S. Securities Act	U.S. Securities Act, 1933.
VAT	Value Added Tax.
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations.

Term	Description
Year/ Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31.

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

Notwithstanding the foregoing, capitalised terms in "*Statement of Tax Benefits*", "*Objects of the Offer*", "*Financial Statements*", "*Basis for Offer Price*", "*Regulations and Policies*", "*History and Certain Corporate Matters*", "*Financial Indebtedness*" "*Outstanding Litigation and Material Developments*" and "*Offer Procedure*" on pages 146, 131, 287, 142, 204, 211, 464, 467, and 542, respectively, shall have the meanings given to such terms in such sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

All references in this Prospectus to "India" are to the Republic of India. All references in this Prospectus to the "U.S.", "USA" or "United States" are to the United States of America. All references in this Prospectus to "Australia" are to the Commonwealth of Australia. All references in this Prospectus to "BVI" are to the British Virgin Islands. All references in this Prospectus to "NZ" or "N.Z." are to New Zealand.

Currency and Units of Presentation

All references to *"Rupee(s)"*, *"Rs.* or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to *"US$"* or *"U.S. Dollars"* or *"USD"* are to United States Dollars, the official currency of the United States of America and of the British Virgin Islands. All references to *"A $"* or *"Australian Dollars"* or *"AUD"* are to Australian Dollars, the official currency of the Commonwealth of Australia. All references to *"NZ$"* or *"New Zealand Dollars"* are to New Zealand Dollars, the official currency of New Zealand.

Unless otherwise stated, all references to page numbers in this Prospectus are to page numbers of this Prospectus. This Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

(in ₹)

Currency	Exchange rate as on				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014*	March 31, 2013**
USD#	64.84	66.33	62.59	60.10	54.39
Euro#	69.25	75.10	67.51	82.58	69.54
AUD^	49.62	50.62	48.08	55.51	56.83
NZ$^	45.45	45.60	47.06	51.68	45.46

#Source: RBI

^Source – www.oanda.com

** Exchange rate as on March 28, 2014 as the reference rates of March 29, 2014, March 30, 2014, March 31, 2014 were not available on account of being a public holiday*

*** Exchange rate as on March 28, 2013 as the reference rates of March 29, 2013, March 30, 2013, March 31, 2013 were not available on account of being a public holiday.*

Such conversions should not be considered as a representation that such currency amounts have been, could have been or could be converted into Rupees at any particular rate, the rates stated above or at all.

Financial and Other Data

Unless stated or the context requires otherwise, our financial information in this Prospectus is derived from our Restated Standalone Financial Statements or our Restated Consolidated Financial Statements, and the related notes, schedules and annexures thereto included elsewhere in this Prospectus, which have been prepared in accordance with applicable provisions of the Companies Act and Indian GAAP, and restated in accordance with the SEBI ICDR Regulations. In addition, the Proforma Financial Statements prepared to reflect (a) the impact of the material acquisition of Andwills by our Company (on a consolidated basis) after the date of the latest annual audited financial statements of our Company, i.e. the financial year ended March 31, 2017, and (b) the impact of the material acquisition of Dusters (on a consolidated basis) by our Company during the financial year ended March 31, 2017 are included in this Prospectus. The Proforma Financial Statements do not take into account the further acquisition of 7.20% of the outstanding equity shares of Dusters by us on July 31, 2017. Further, as required under the SEBI ICDR Regulations in relation to one of the objects of the Fresh Issue, certain financial information about Dusters (including its audited profit and loss account for Fiscal Years 2013, 2014, 2015, 2016 and 2017 and its audited balance sheet as at March 31, 2017) have also been included in this Prospectus.

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

The degree to which our Restated Financial Statements as included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, 2013, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Furthermore, no attempt has been made to identify disclosures, presentation or classification of differences that would affect the manner in which transactions and events are reflected in our financial statements or the respective notes thereunder. We urge you to consult your own advisors regarding such differences and their impact on our financial data.

Additionally, India has decided to adopt the "Convergence of its existing standards with IFRS", referred to as the Indian Accounting Standards ("**Ind AS**"). In terms of a notification released by the Ministry of Corporate Affairs, Government of India, our Company is required to prepare its financial statements in accordance with Ind AS with effect from April 1, 2017. Accordingly, our financial statements for the period commencing from April 1, 2017 may not be comparable to our historical financial statements. We have not attempted to quantify the impact of Ind AS on the financial information included in this Prospectus, nor have we provided a reconciliation of our financial statements to those under Ind AS. See "*Risk Factors – Our Company will be required to prepare financial statements under Ind AS. The transition to Ind AS in India is very recent and there is no clarity on the impact of such transition on our Company.*" on page 22.

All the figures in this Prospectus have been presented in millions or in whole numbers where the numbers have been too small to present in million, unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Market and Industry Data

Unless stated otherwise, industry and market data used in this Prospectus have been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified and neither we, nor the Selling Shareholders or the GCBRLMs or the BRLMs, jointly or severally, make any representation as to its accuracy or completeness. The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in *"Risk Factors"* on page 20.

Additionally, certain industry related information in the sections titled "*Summary of Industry*", "*Summary of Business*", "*Industry Overview*", "*Our Business*", "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on pages 59, 64, 149, 181, 20 and 439, respectively, has been derived from an industry report titled *"Assessment of Security Services and Facility Management Markets in India"* dated September 16, 2016, prepared by Frost & Sullivan (subsequently updated by a report titled "*2017 Update of Security Services and FM Market*" dated July 6, 2017) ("**F&S Report**") and an industry report titled "*Australian Security Services*" dated September 6, 2016 prepared by Freedonia (subsequently updated by a report titled

"*Australian Security Services – Updated Guidance*" dated July 6, 2017) ("**Freedonia Report**"), both independent research houses, pursuant engagements with our Company.

The F&S Report is subject to the following disclaimer:

"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 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 "Security and Intelligence Services (India) Limited ("**SIS**")" 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. If required by any regulatory authority in relation to the listing, the Company is also permitted to make this report open for inspection from the public from the date of registration of the red herring prospectus till the closing of the period of subscription in the IPO. 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 SIS, 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 facilities management, corporate catering, industrial asset management, and human resources solutions 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."

For further details, see *"Risk Factors – We have commissioned reports, from Frost & Sullivan and Freedonia, respectively, which have been used for industry related data in this Prospectus and such data have not been independently verified by us."* on page 49.

Further, in accordance with Regulation 51A of the SEBI ICDR Regulations, and SEBI Listing Regulations, as applicable, our Company may be required to undertake an annual updation of the disclosures made in this Prospectus and make it publicly available in the manner specified by SEBI.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should" "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about 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 the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions 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. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

(i) Our ability to manage and sustain our growth, implement our strategies;

(ii) Our ability to attract, manage and retain skilled manpower;

(iii) Increase in labour and wage costs and employee expenses;

(iv) Revenues from, and demand for our security services;

(v) Our ability to successfully manage risks associated with cash logistics operations;

(vi) Management and successful growth of our new businesses, such as housekeeping services, home alarms and pest control;

(vii) Compliance with security services related health, safety and other applicable regulations;

(viii) Our ability to obtain, maintain and renew statutory licenses and approvals required to conduct our businesses; and

(ix) Maintenance of information technology systems and data security.

For a further discussion of factors that could cause our actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 20, 181 and 439, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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 of our Company as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholders, the GCBRLMs, 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 regulatory requirements, our Company, the GCBRLMs and the BRLMs will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholders will ensure that investors are informed of material developments in relation to statements and undertakings made by it in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we operate in or to India and the other regions in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our businesses, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Our Business", "Industry Overview" and "Management's Discussions and Analysis of Financial Condition and Results of Operations" on pages 181, 149 and 439, respectively, as well as the financial, statistical and other information contained in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. See "Forward-Looking Statements" on page 18.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless otherwise stated, the financial information used in this section has been derived from our Restated Consolidated Financial Statements. In this section, unless the context otherwise requires, a reference to the "Company" is a reference to Security and Intelligence Services (India) Limited on a standalone basis, while any reference to "we", "us" or "our" refers to Security and Intelligence Services (India) Limited and its Subsidiaries, Joint Ventures and associate companies, as applicable in the relevant periods, on a consolidated basis.

Internal Risk Factors

Risks Relating to our Business

1. ***Our Promoter and the Chairman of our Company, Ravindra Kishore Sinha, has been named as one of the respondents in criminal proceedings initiated by certain regulatory authorities.***

Our Promoter and the Chairman- of our Company, Ravindra Kishore Sinha, has been named as one of the respondents in certain criminal proceedings for alleged violations of the Contract Labour Act on certain grounds, including, (i) not obtaining labour license from the licensing officer; (ii) not maintaining proper register of workmen; and (iii) not producing muster-roll-cum-wages register during inspection. For further details, see "*Outstanding Litigation and Material Developments*" on page 467.

The criminal proceedings against Ravindra Kishore Sinha are currently pending and there can be no assurance that the relevant judicial forums will dismiss the petitions or rule in favour of the respondents. Any conviction of Ravindra Kishore Sinha for the alleged offences may lead to negative publicity and affect our business, reputation and results of operations.

2. ***Operational risks are inherent in our business as it includes rendering services in challenging environments. A failure to manage such risks could have an adverse impact on our business, results of operations and financial condition.***

Certain operational risks are inherent in our businesses due to the nature of the industry in which we operate. We render private security and facility management services, including security services, at customer premises in a number of challenging environments such as airports and to aviation industry clients, mines, manufacturing facilities, vehicles, hospitals, hotels, corporate canteens and public events and provide transport and logistics services in relation to cash and valuables. Our employees deliver security, surveillance, monitoring and crisis response services in these environments, which involve physical inspection and interaction such as searching of personal possessions and frisking employees of our customers and members of the public. Further, we provide pest and termite control solutions as well as cleaning and housekeeping services which involve the handling of chemicals such as insecticides and cleaning solutions, which if handled improperly may have an adverse impact on the health of our employees, customers and on the environment. Consequently, our business is associated with numerous safety, privacy and public health concerns. We may be subject to substantial liabilities if we fail to satisfy applicable safety, privacy or health standards or cause harm to individuals or entities in the course of rendering our services. In our cash logistics business, where we provide transport and storage of cash, valuables and bullion, our personnel are subject to a risk of injuries and fatalities, as a result of criminal acts such as armed robberies. Further, our operations in naxal affected areas may be prone to higher operational risk due to higher rates of violence and criminal activities in such areas, such as hijacking, looting of cash vans and ATM frauds.

While we believe that we have in place adequate corporate, crisis response, training and management policies and protocols, a failure to adequately address and manage risks inherent in our business, or a failure to meet the operational requirements of our customers, or a failure to develop effective risk mitigation measures, or respond adequately to a crisis situation, could have an adverse effect on our reputation, customer retention, earnings and profitability and consequently, our business, results of operations and financial condition may also be adversely impacted.

3. ***We have a large workforce deployed across workplaces and customer premises, consequently we may be exposed to service related claims and losses or employee disruptions that could have an adverse effect on our reputation, business, results of operations and financial condition.***

We have a large workforce deployed across India and Australia. As of April 30, 2017, we employed 154,432 personnel of which 144,765 'billing' personnel were rendering security and facility management services (including at 11,869 customer premises in India and 5,560 security personnel rendering security services to 245 customers in Australia), consequently, our ability to control the workplace environment in such circumstances is limited. The risks associated with the deployment of our employees include possible claims relating to:

- actions or inactions of our employees, including matters for which we may have to indemnify our customers;
- failure of our employees to adequately perform their duties including rendering deficient services, shortage in shift, absenteeism or lateness;
- violation by employees of security, privacy, health and safety regulations;
- any failure by us to adequately verify employee and personnel backgrounds and qualifications resulting in deficient services;
- employee errors, malicious acts by existing or former employees
- damage to the customer's facilities or property due to negligence of our employees; and
- criminal acts, torts or other negligent acts by our employees.

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and adversely impact our reputation and brand name. Further, as per the terms of certain customer contracts, we indemnify our customers against losses or damages suffered by our customers as a result of negligent acts of our employees. The aggregate indemnity claims paid to customers during Fiscal Years 2017, 2016 and 2015 were ₹77.20 million, ₹110.21 million and ₹73.64 million respectively. After taking into account the insurance proceeds received by us, the net financial impact of these customer indemnity claims was ₹25.49 million, ₹12.15 million and ₹10.19 million for Fiscal Years 2017, 2016 and 2015, respectively. We may also be affected in our operations by the acts of third parties, including sub-contractors and service providers.

Additionally we are subject to labour legislations that protect the interests of workers, including legislations that set forth detailed procedures for the establishment of unions, dispute resolution and employee removal and impose certain financial obligations on employers upon retrenchment of employees. Our employees are not currently unionized, other than certain employees in our cash logistics business in Maharashtra; and certain employees of our Subsidiary, Dusters, deployed at some client premises in Pune, Kolkata and Mumbai (Govandi and Goregaon), who are members of worker's unions of employees of our clients at whose premises they are deployed. We have also entered into collective bargaining arrangements with certain of our security personnel in Australia. There can be no assurance that our employees will not unionize in the future. In the event our employee relationships deteriorate or we experience significant labour unrest, strikes, lockouts and other labour action, work stoppages could occur and there could be an adverse impact on our delivery of services to customers. For instance, we experienced a strike at our Chetpet branch in Chennai in April 2015. We also experienced a strike at our Delhi branch, in October 2009. Pursuant to the strike certain aggrieved workmen filed cases before various labour tribunals, of which certain cases are currently pending. For further details see "*Outstanding Litigation and Material Developments*" on page 467. Our business and profitability may also be affected if any union contracts or collective bargaining agreements we may have to enter into restrict our ability in using employees across different service types. There can be no assurance that the corporate policies we have in place to help reduce our exposure to these risks will be effective or that we will not experience losses as a result of these risks. Any losses that we incur in this regard could have an adverse effect on our reputation, business, results of operations and financial condition.

4. ***Our businesses are manpower intensive and our inability to attract and retain skilled manpower could have an adverse impact on our growth, business and financial condition.***

Our security services, cash logistics and facility management businesses are manpower intensive and we hire a considerable number of personnel every year to sustain our growth. For instance, our total number of employees grew by 41,779, 12,232 and 13,629 or 37.93%, 12.49% and 16.17%, in Fiscal Years 2017, 2016 and 2015, respectively. We cannot assure you that we will be able to meet our manpower requirements in the future or grow the number of our employees in a consistent manner, which may adversely impact our growth and business.

Further, we spend significant time and resources in training the manpower we recruit, through our training academies and training centres. Our success is substantially dependent on our ability to recruit, train and retain skilled manpower. However, due to personnel continuing with other service providers and the challenging nature of the job, there is relatively higher rate of attrition in the industries in which we operate and the security services industry specifically. Our attrition rate of employees in our security services business in India, for the Fiscal Years 2017, 2016 and 2015, was 55.76%, 57.79% and 65.72% respectively. Our attrition rate of employees in Australia, for the Fiscal Years 2017, 2016 and 2015, was 20.6%, 21.4% and 24.2%, respectively. Higher attrition rates lead to an increase in our training and recruitment costs, which may have an adverse impact on our profitability and financial condition. High attrition and competition for manpower may limit our ability to attract and retain the skilled manpower necessary for us to meet our future growth requirements. There can be no assurance that skilled manpower will continue to be available in sufficient numbers and at wages suitable to our requirements.

5. ***Our Company will be required to prepare financial statements under IND AS. The transition to IND AS in India is very recent and there is no clarity on the impact of such transition on our Company.***

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("**IFRS**"). These "IFRS based or synchronized Accounting Standards" are referred to in India as the Indian Accounting Standards ("**IND AS**"). The Ministry of Corporate Affairs, Government of India, has through a notification dated February 16, 2015, set out the IND AS and the timelines for their implementation. Accordingly, our Company is required to prepare their financial statements in accordance with IND AS for periods beginning on or after April 1, 2017.

Given that IND AS is different in many respects from Indian GAAP under which our financial statements are currently prepared, our financial statements for the period commencing from April 1, 2017 may not be comparable to our historical financial statements. Further, our Restated Financial Statements have been prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI Regulations. These statements have not been drawn up in accordance with IND AS and once we prepare our financial statements in accordance with IND AS upon listing of our Equity Shares, our results of operations may be different were our financial statements prepared in accordance with Indian GAAP. We cannot assure you that our results of operations based on financial statements prepared under IND AS will not be adverse compared to our results of operations based on our financial statements prepared under Indian GAAP.

There can be no assurance that the adoption of IND AS will not affect our reported results of operations or cash flows. Further, we may be required to retroactively apply IND AS to our historical financial statements, subject to certain exemptions, which may require us to restate financial statements after March 31, 2016, once included. In addition, our management may also have to divert its time and other resources for the successful and timely implementation of IND AS. Any failure to successfully adopt IND AS may have an adverse effect on the trading price of our Equity Shares and/or may lead to regulatory action and other legal consequences. 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. Any of these factors relating to the use of IND AS may adversely affect our financial condition, results of operations and cash flows.

We have not attempted to quantify the impact of IND AS on the financial information included in this Prospectus, nor have we provided a reconciliation of our financial statements to those under IND AS. For details on the significant differences between Indian GAAP and IND AS, see "*Significant Differences between Indian GAAP and IND AS*" on page 432.

6. ***We are subject to several labour legislations and regulations governing welfare, benefits and training of our employees and we are also a party to several litigations initiated by our former or current employees. Any increase in wage and training costs or if any decisions in pending cases are against us, could adversely affect our business, financial condition and cash flows.***

We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage and maximum working hours, overtime, working conditions, non-discrimination, hiring and termination of employees, employee compensation, employee insurance, bonus, gratuity, provident fund, pension, superannuation, leave benefits and other such employee benefits. Employee benefit expenses constituted the largest component of our total expenses, i.e. ₹37,886.64 million, ₹31,162.43 million and ₹28,920.15 million or 84.83%, 82.93% and 83.00% of our total expenses for Fiscal Years 2017, 2016 and 2015, respectively. In the event the welfare requirements under labour regulations applicable to us are changed, which leads to an increase in employee benefits payable by us, there can be no assurance that we will be able to recover such increased amounts from our customers in a timely manner, or at all.

In addition, we rely on being able to recruit, train and retain high quality and qualified employees in India and Australia. We are required to comply with PSARA, JSARA and other applicable state laws in India, which prescribe eligibility requirements for employing security personnel, such as minimum age requirements and standards of physical fitness. Any regulatory change in such minimum levels, including in respect of educational qualifications and training or additional license requirements for employees in certain positions such as security guards, supervisors, armed guards, firemen or business service personnel, may limit our ability to recruit new employees or replace leaving employees effectively, thereby impacting our ability to expand our business. If we fail to impart requisite training or do not comply with certain labour welfare legislations, we may be exposed to fines and we may also face the risk of our licenses under applicable legislations being cancelled or suspended. In Australia, we are required to comply with laws relating to health, safety and welfare of persons at work, employment and workplace relations laws, as implemented by each individual state in Australia. The Fair Work Act, 2009 is the primary piece of legislation governing relationships between employers and employees in Australia. Employers must also satisfy occupational health and safety obligations under federal and state legislation. For further details on the labour laws and regulations applicable to us, please refer to "*Regulations and Policies*" on page 204.

Amendments to labour laws could also affect our business adversely. For instance, an amendment in December 2015 to the Payment of Bonus Act, 1965, among other things, increased the wage threshold for determination of the eligibility of employees for bonus payments from ₹10,000 per month to ₹21,000 per month, effective retroactively from April 1, 2014. As a result of this amendment, we incurred additional expenses (on a consolidated basis in Fiscal Year 2016) towards salaries, wages and bonus of employees on account of statutory bonus amounting to ₹87.53 million relating to Fiscal Year 2015 (given that the amendment was effective from the commencement of Fiscal Year 2015). A corresponding amount was included in the provisions for employee benefits payable as at March 31, 2016. For further details, see "*Financial Statements*" on page 287. Further, an amendment in December 22, 2016 has increased the wage limit for coverage of an employee towards employee state insurance from ₹15,000 per month to ₹21,000 per month. Similar changes and amendments, if introduced in future, may adversely affect our operating margins, operational costs, results of operations and cash flows.

Further, regulatory agencies in different states and courts in India may interpret compliance requirements differently, which may make compliance with laws and regulations more complex, time consuming and costly. Additionally, if there is any failure by us to comply with applicable labour laws and regulations in relation to employee welfare and benefits, we may be subject to criminal and monetary penalties, incur increased costs, have our labour or PSARA Approvals revoked and suffer a disruption in our operations. There are certain pending actions initiated by relevant regulatory authorities, as well as private individuals for alleged non-compliance with labour legislation with respect to certain of our branches, such as the Contract Labour Act, the Minimum Wages Act, the Industrial Disputes Act and local shops and establishments legislation, and there can be no assurance that these will be decided in our favour or that in future we may not face cases alleging violation of labour laws. For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 467. Any adverse outcome in such litigations or our failure to comply with applicable labour legislation may result in orders that may materially and adversely impact our operations and may also result in reputational loss.

Additionally, there are cases filed against us by our former or current employees before various courts in relation to alleged claims for arrears of remuneration and wrongful termination. For details, see "*Outstanding Litigation and Material Developments*" on page 467. If any of the pending cases are decided against us, our personnel retention and administrative costs may increase and adversely affect our business, financial condition and results of operations.

7. ***We have made certain issuances and allotments of our Equity Shares which are not in compliance with section 67(3) of the Companies Act, 1956.***

We have, on nine instances in the period between 1988 and 2012, issued and allotted equity shares to more than 49 persons (pursuant to private placements). These allotments were made on April 4, 1988, January 30, 1996, February 16, 1999, October 12, 2000, September 27, 2003, March 26, 2004, December 24, 2009, December 16, 2010 and February 15, 2012 (collectively the "**Stated Allotments**"). For further information, see "*Capital Structure – History of equity share capital of our Company – Certain Issuances and Allotments of Equity Shares in the past*" on page 105. Of the nine Stated Allotments, four were made prior to the enactment of the Companies Amendment Act, 2000 (which introduced the proviso to Section 67 (3) of the Companies Act, 1956, which deemed any allotment to persons in excess of 49 to be deemed to be a public offering) and three of the Stated Allotments were made to certain employees of the Company pursuant to an employee stock option plan of the Company. The Stated Allotments did not comply with such provisions governing public offerings, including, *inter alia*, issuance and registration of a prospectus.

Pursuant to a press release dated November 30, 2015 and circulars no. CIR/CFD/DIL3/18/2015 dated December 31, 2015 and May 3, 2016 (collectively, the "**SEBI Circular**"), SEBI has provided that companies involved in issuance of securities to more than 49 persons but up to 200 persons in a Fiscal Year may avoid penal action subject to fulfilment of certain conditions. These conditions include the provision of an option to the current holders of the Equity Shares allotted to surrender such Equity Shares at an exit price not less than the amount of subscription money paid along with 15% interest per annum or such higher return as promised to investors.

While we have made allotments to more than 200 individuals on six instances, namely, on January 30, 1996, February 16, 1999, October 12, 2000, September 27, 2003, March 26, 2004 and February 15, 2012, recognizing the intent of SEBI through the SEBI Circular, our Board, in its meeting held on July 27, 2016 voluntarily authorized both of our Promoters to provide an exit offer to those shareholders ("**Eligible Shareholders**" and such offer, the "**Exit Offer**") who held, as on a specified record date (a) Equity Shares allotted by the Company through the Stated Allotments, and/ or (b) Equity Shares allotted on account of any corporate action on the Stated Shares (including through split of the face value of the Stated Shares, or bonus issuances on the Stated Shares), acquired either through direct allotment or secondary acquisition. Subsequently, an invitation was issued through letters dated August 30, 2016 to all the relevant Eligible Shareholders (excluding our Promoters, being the purchasers, and their respective spouses, who had expressed their intent to not participate in the Exit Offer) to offer all Equity Shares held by them on the record date for sale to our Promoters at a purchase price calculated in accordance with the SEBI Circulars. For further details, see "*Capital Structure –History of equity share capital of our Company – Certain Issuances and Allotments of Equity Shares in the past*" on page 105.

We also e-filed an application on September 22, 2016 with the RoC, as regards the Stated Allotments, seeking to compound any breach of the Companies Act, 1956 on the grounds that (a) the non-compliances with the Companies Act, 1956 were unintentional and inadvertent, and (b) equity shares were allotted primarily to our employees through the Stated Allotments with the intent of providing them with a meaningful engagement with our Company and granting them equity interests in our Company, requesting the NCLT to compound the offences under section 441 of the Companies Act, 2013. By an order dated December 23, 2016, the NCLT (Kolkata bench) compounded these offences upon the payment of a fine of ₹ 0.50 million and ₹ 0.25 million upon our Company and Ravindra Kishore Sinha, our Promoter and Chairman, respectively. These amounts were paid by our Company and Ravindra Kishore Sinha on January 2, 2017.

We also filed an application dated November 15, 2016 with SEBI under regulation 3(1) of the Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014, as amended ("**SEBI Settlement Regulations**") for settlement of any violations in relation to the Stated Allotments. Through this application, our Company and its Directors have voluntarily submitted themselves to the settlement procedure under the SEBI Settlement Regulations, and agreed to abide by settlement terms as mutually agreed with SEBI. We have, in this application, requested SEBI to take a lenient view while imposing settlement terms on various grounds, including that (a) the Stated Allotments were made primarily to employees; (b) there were no mala fide attempts by our Company to indiscriminately raise funds through the Stated Allotments; (c) the Exit Offer had been provided to all Eligible Shareholders; (d) our Company had voluntarily disclosed the Stated Allotments to SEBI up-front, as well as made extensive disclosures in the Draft Red Herring Prospectus; and (d) suitable compounding proceedings had been initiated by our Company as regards the Stated Allotments with the RoC. The application is currently pending. By a letter dated March 7, 2017, SEBI returned this application citing certain technical grounds, and directed that a rectified application be filed within 15 days. Subsequently, we filed a revised settlement application dated March 15, 2017, accounting for these observations received from SEBI. There can be no assurance that SEBI will settle the Stated Allotments in a timely manner, or under terms that are beneficial to us.

Further, during the pendency of the revised settlement application, we received a show cause notice dated April 19, 2017 from SEBI, directing us to show cause as to why an inquiry should not be held against us, and penalties not be imposed regarding the alleged non-compliance of the Stated Allotments with regulatory provisions governing public offerings in India. We responded to this notice by our letter dated May 10, 2017, requesting SEBI to refrain from initiating any adjudication proceedings, and to withdraw the show cause notice as our settlement application as regards the Stated Allotments was pending. There can be no assurance that SEBI will not continue to proceed against us, or initiate adjudication or other proceedings in furtherance of the show cause notice. For further details, see "See "*Capital Structure –History of equity share capital of our Company – Certain Issuances and Allotments of Equity Shares in the past*" on page 105.

8. ***There are outstanding proceedings against our Company, and certain of our Subsidiaries, Promoters, Directors and Group Companies and any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our business, results of operations and financial condition.***

There are certain outstanding legal proceedings involving our Company, our Subsidiaries, our Promoters, our Directors and our Group Companies, that are incidental to our business and operations. These proceedings are pending at different levels of adjudication before various courts, tribunals, quasi-judicial authorities and appellate tribunals. For further details of certain material legal proceedings against our Company, our

Subsidiaries, our Promoters, our Directors and Group Companies, see "*Outstanding Litigation and Material Developments*" on page 467. A summary of material proceedings involving our Company, Subsidiaries, Directors, Promoters and Group Companies as of the date of this Prospectus is provided below:

I. Litigation against the Company

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Criminal proceedings	18	-
2.	Civil proceedings	1	-
3.	Taxation matters	27	41.02
4.	Compounding applications	2	-
5.	Statutory/ regulatory proceedings	5	-

II. Litigation against our Subsidiaries

SMC

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Taxation matters	2	2.65

SIS Terminix

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Criminal proceedings	1	-
2.	Statutory/ regulatory proceedings	1	-

Dusters

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Criminal proceedings	2	-
2.	Taxation matters	15	195.39

MSS Security

(in AUD million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Civil proceedings	4	0.75

Andwills

(in AUD million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Statutory/ regulatory proceedings	1	-

III. Litigation against the Directors

Ravindra Kishore Sinha

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Criminal proceedings	3	-
2.	Civil proceedings	1	52.5
3.	Tax proceedings	1*	-

* *In relation to this proceeding, SIS Prosegur has applied for compounding of the offences. See "Outstanding Litigation and Material Developments" on page 467.*

Rituraj Kishore Sinha

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Civil proceedings	1	52.5
2.	Tax proceedings	1*	-

* *In relation to this proceeding, SIS Prosegur has applied for compounding of the offences. See "Outstanding Litigation and Material Developments" on page 467.*

Rita Kishore Sinha

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Civil proceedings	1	52.5

Jayanta Kumar Basu

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Tax proceedings	2	-

Uday Singh

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Tax proceedings	1*	-

* *In relation to this proceeding, SIS Prosegur has applied for compounding of the offences. See "Outstanding Litigation and Material Developments" on page467.*

IV. Litigation against the Promoters

Ravindra Kishore Sinha

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Criminal proceedings	3	-
2.	Civil proceedings	1	52.5
3.	Tax proceedings	1*	-

* *In relation to this proceeding, SIS Prosegur has applied for compounding of the offences. See "Outstanding Litigation and Material Developments" on page 467.*

Rituraj Kishore Sinha

(in ₹ million)

S. No.	**Nature of litigation**	**Number of cases**	**Approximate amount involved**
3.	Civil proceedings	1	52.5
4.	Tax proceedings	1*	-

* *In relation to this proceeding, SIS Prosegur has applied for compounding of the offences. See "Outstanding Litigation and Material Developments" on page 467.*

V. Litigation against the Group Companies

SIS Prosegur

(in ₹ million)

S. No.	**Nature of litigation**	**Number of cases**	**Approximate amount involved**
1.	Criminal proceedings	3	-
2.	Tax proceedings	2*	0.43
3.	Statutory/ regulatory proceedings	1	0.52

* *In relation to both of these proceedings, SIS Prosegur has applied for compounding of the offences. See "Outstanding Litigation and Material Developments" on page 467.*

SIS Cash

(in ₹ million)

S. No.	**Nature of litigation**	**Number of cases**	**Approximate amount involved**
1.	Criminal proceedings	7	-
2.	Civil proceedings	2	0.12
3.	Tax proceedings	1	7.32

The amounts claimed in these legal proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in the applicable laws or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that these legal proceedings will be decided in favour of our Company, our Subsidiaries, our Promoters, our Directors or our Group Companies, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.

9. ***Our Board of Directors has recently approved a scheme of rearrangement to de-merge and transfer certain businesses ("Demerging Businesses") to a member of our Promoter Group, which is subject to the approval of the shareholders of our Company, creditors, lenders and other statutory, regulatory and court approvals and consents required pursuant to contractual obligations. In case we are unable to obtain any of these approvals and consents, or if we are unable to achieve the expected benefits of the proposed demerger, our business, financial condition and results of operations could be adversely affected.***

Our Board of Directors and the board of directors of SMC (one of our Subsidiaries) have, by resolutions dated September 20, 2016, approved a composite scheme of arrangement under sections 391 to 394 of the Companies Act, 1956 between our Company, SMC, SIS Asset Management (formerly known as Tech SIS Access Management Private Limited, and a member of our Promoter Group and a Group Company) and their respective shareholders and creditors ("**Demerger Scheme**"). SIS Asset Management has also approved of the terms of the Demerger Scheme by a resolution of its board of directors dated September 20, 2016. The

Demerger Scheme proposes demerger and transfer of certain businesses owned by our Company and SMC, namely, our consultancy and investigation business division, and SMC's payroll outsourcing business division, including associated assets, liabilities, properties, identified investments, debts, movable and immovable properties, licenses and approvals, employees, business contracts, intellectual properties and legal proceedings (collectively, the "**Demerging Businesses**") on a "going-concern basis" to SIS Asset Management (such transaction, the "**Proposed Demerger**") retroactively with effect from the appointed date i.e. July 1, 2016. Pursuant to the terms of the Demerger Scheme, SIS Asset Management will issue and allot certain equity shares and compulsorily convertible preference shares to shareholders of our Company and SMC, respectively, on the appointed date for the Demerger Scheme. For the Fiscal Years 2017, 2016 and 2015, revenues from the SIS Demerging Business accounted for 0.01%, 0.03% and 0.01%, respectively, and revenues from the SMC Demerging Business accounted for 0.03%, 0.02% and 0.01%, respectively, of our restated consolidated revenues for such periods. For further information, see "*History and Certain Corporate Matters – Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets*" on page 215.

Our Company, SMC and SIS Asset Management, on January 11, 2017, jointly filed the Demerger Scheme with the NCLT (Kolkata bench), and through an application under Rule 3 of the Companies Amalgamation Rules, sought dispensation of the meetings of shareholders and creditors of us, SMC and SIS Asset Management for approving the Demerger Scheme.

Further, NCLT, Kolkata Bench, by its orders dated May 26, 2017 and May 31, 2017, (a) directed meetings of the equity shareholders and creditors of our Company and creditors of SMC to be convened on July 24, 2017 to approve the Demerger Scheme and dispensed with meetings of shareholders of SMC and SIS Asset Management, and (b) directed that the Demerger Scheme and other relevant documents be served on the Regional Director (Eastern region), MCA, the RoC, SEBI, concerned stock exchanges, the Income Tax Department and Official Liquidator having jurisdiction over the transferor and transferee companies. Over June 17 and June 18, 2017, we have dispatched notices of these meetings to shareholders and creditors of our Company and creditors of SMC. These meetings were subsequently conducted on July 24, 2017, at which, the Demerger Scheme was approved by the shareholders and creditors of our Company and creditors of SMC.

Accordingly, the Demerger Scheme remains subject to (a) consents and approvals of the Central Government or any government authorities, (b) the approval of the NCLT (including of our application filed under Rule 3 of the Companies Amalgamation Rules), (c) certified copies of the orders of the NCLT being filed with the RoC, and (d) compliance with any other conditions as may be imposed by the NCLT. The terms of the Demerger Scheme may also be amended or modified by our shareholders, creditors or the NCLT, and there can be no assurances that such amendments will further the underlying objectives of the Proposed Demerger, or be in the best interest of our shareholders. If we fail to obtain any of the consents, authorisations or approvals required to approve the Demerger Scheme, or obtain such approvals on terms not favourable to us, the Demerger Scheme may not be implemented in time, or at all.

Furthermore, once the Demerger Scheme is approved by the NCLT, 16 immovable properties owned by our Company and three investments by SMC ("**Demerged Properties**") shall be transferred to, and vest with, SIS Asset Management (a member of our Promoter Group and a Group Company). The Demerged Properties consist primarily of land and buildings, including our administrative office, our training centres at Garwha, Jharkhand (including academic blocks and hostels) and Dehradun and investments by SMC in Sunrays and Vardan, which own our corporate office. As per valuation reports received by our Company, the collective market value of the Demerged Properties aggregated to ₹868.69 million. As on March 31, 2017, the collective book value of the Demerged Properties aggregated to ₹610.46 million (gross) and ₹586.63 million (net) or 3.0% (gross) and 2.9% (net) respectively of the Company's total assets on a consolidated basis. While the board of directors of SIS Asset Management has, by its resolution dated September 20, 2016, evinced an intention to enter into leasehold arrangements, on arms' length basis with our Company for us to continue utilising certain identified Demerged Properties once the Proposed Demerger is approved, we cannot assure you that our efforts to enter into such leasehold arrangements will be successful. Any such leasehold arrangement would be in the nature of a related party transaction, thereby requiring to be at an arm's length basis and if we are unable to enter into such lease arrangements on terms favourable to us, we may have to shift some of our key offices and centers of operation, including our corporate office and training centres to alternate premises, which may require significant relocation expenses, increased operating expenses and create disruptions in our business and operations and may adversely affect our business, financial condition and results and operations.

10. ***There have been certain instances of discrepancies in relation to certain statutory filings made or required to be filed by our Company with the RoC under applicable law and certain other non-compliances under Indian company law. Further, we have, in the past, failed to comply with reporting requirements in respect of issuance of Equity Shares and CCPS and certain other regulations governing issuance of capital to non-resident shareholders.***

There have been certain discrepancies in relation to statutory filings required to be made by us with the RoC under applicable laws as well as certain other non-compliances incurred by us under Indian company law. For further details on such non-compliances, see "*Outstanding Litigation and Material Developments – Past cases of non-compliances and compounding*" on page 486.

Further, we have, in the past, failed to comply with certain reporting obligations in terms of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("**FEMA Regulations**") in respect of issuance of our Equity Shares and CCPS and stock options to certain non-resident shareholders. For instance, (a) we were delayed in filing details of inward remittance received by us as share application money in respect of allotments of Equity Shares to Thomas Berglund and Hakan Winberg on July 22, 2007 and August 9, 2007, respectively and in respect of an allotment of CCPS to D.E. Shaw on December 29, 2007, and (ii) we were delayed in the filing of Form FC-GPR with the RBI in respect of these allotments. Additionally, while the aforementioned CCPs were originally slated to convert to Equity Shares on July 31, 2010, we requested an extension of the conversion period, which was granted by the RBI (till April 2013), subject to compounding of the aforementioned violations. Subsequently, by an order dated April 25, 2013, these violations were compounded by the RBI in lieu of a sum of ₹875,000. Furthermore, we did not intimate the FIPB of the grant of 20,000 stock options in our Company to Michael John McKinnon, employee of MSS, one of our overseas Subsidiaries, on account of an inadvertent error. We have filed an application, on October 17, 2016, with the RBI for compounding this error. See, "*Outstanding Litigation and Material Developments – Past cases of non-compliances and compounding*" on page 486. There can be no assurances that such delays or non-compliances will be compounded by the RBI, and that we will not be subjected to penalties, proceedings or settlement amounts from the RBI.

11. ***We may be unable to fully realize the anticipated benefits of our acquisitions, including that of Andwills Pty Ltd., Dusters Total Solutions Services Private Limited, and any future acquisitions or within our expected timeframe. If we experience delays or other problems in implementing such projects, our growth, business, results of operations, financial condition may be adversely affected.***

With effect from July 1, 2017, we, through our 100.00% Subsidiary, SIS Australia Group, acquired an additional 41.00% of the voting rights in SXP, formerly one of our associates ("**SXP Acquisition**"). As a result, SXP has become one of our Subsidiaries. For further details on SXP, see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 225. The acquisition of the additional 41.00% voting rights in SXP was consummated as follows:

(i) The purchase of 95,556 equity shares of SX Protective Services Pty Ltd. ("**SX Protective**"), representing 9.56% of the outstanding equity shares of SX Protective, from:

   a. Anzus Pty Ltd as trustee for The Goldrick Family Trust,
   b. David John Medhurst and Annette Medhurst as trustee for the Medhurst Family Superannuation Fund, and
   c. Teide Pty Ltd as trustee for the Cumberland Discretionary Trust (collectively the "**Minority Sellers**"). SX Protective is the holder of 90.00% of the equity share capital in SXP; and

(ii) The purchase of 4,236 ordinary equity shares of Andwills, representing 42.36% of the ordinary equity shares of Andwills, from Bourke Family Holdings Pty Ltd. ("**Bourke**"); and the issue of 1,764 D class shares by Andwills, to allow SIS Australia Group to directly control, together with the ordinary equity shares of Andwills purchased by it, 51.00% of the voting rights in Andwills. Andwills is the holder of 85.00% of the equity share capital in SX Protective.

SIS Australia Group has paid AUD 13.38 million to Bourke and the Minority Sellers as consideration for the transactions described above, and also deposited an additional AUD 4.41 million in escrow, which are payable to the sellers in accordance with a formulation set forth in the SXP Acquisition agreements.

In furtherance of the SXP Acquisition, SIS Australia Group has entered into an amended and restated shareholders agreement dated June 9, 2017 with SXP, SX Protective, the Minority Sellers, Pat Bourke, Bourke Entity and certain other parties ("**SXP SHA**"). As set forth in the SXP SHA, certain principal terms of the SXP acquisition include:

(i) Patrick Bourke continuing to remain on the board of SXP as Managing Director for a period of three years and being involved in the day-to-day management of SXP;

(ii) A default by either party to the agreements entitling the non-defaulting party to seek a third party buyer for the shares and drag the defaulting party along with it to sell its shares to the third party buyer; and

(iii) the Company, through its 100% subsidiary, SIS Australia Group and the Bourke Entity and the Minority Sellers being restricted from transferring their Balance SXP Shares to any other person till the expiry of the prescribed time period for exercise of the put and call option by either side.

Further, a deed of put and call option executed on June 9, 2017 provides an option to SIS Australia Group to acquire remaining voting rights and equity interest in SX Protective and Andwills **("Balance SXP Shares")** on or after September 30, 2020. In the event, SIS Australia Group fails to exercise the option to purchase the Balance SXP Interest, the Bourke Entity and the Minority Sellers have the option to sell the Balance SXP Shares to SIS Australia Group at a price to be determined according to an agreed valuation formula.

For further details, see "*History and Certain Corporate Matters – Material Agreements - Other Agreements - Agreements for acquisition of Andwills and indirect acquisition of SXP*" on page 223.

Similarly, effective August 1, 2016, we acquired 78.72% of the outstanding equity shares of Dusters Total Solutions Services Private Limited ("**Dusters**") for an aggregate acquisition cost of ₹1,169.03 million**,** by purchasing, through agreements dated August 6, 2016 ("**Dusters SPAs**"), and in terms of a shareholders agreement dated August 6, 2016 ("**Dusters SHA**"),

(i) 1,559,458 equity shares of Dusters of face value of ₹ 10 each ("**Dusters Shares**") from TVS Shriram Growth Fund I for an aggregate consideration of ₹ 826.58 million,
(ii) 49,981 Dusters Shares from certain individual shareholders of Dusters for an aggregate consideration of ₹ 26.49 million,
(iii) 51,630 Dusters Shares from certain employees of Dusters ("**Dusters Employees**") for an aggregate consideration of ₹ 27.37 million, and
(iv) 544,492 Dusters Shares from the promoters of Dusters, namely, Shamsher Puri and Jasmer Puri ("**Dusters Promoters**") for an aggregate consideration of ₹ 288.60 million.

Further, on July 31, 2017, in accordance with the Dusters acquisition agreements, we have acquired a further 7.20% of the outstanding equity shares of Dusters from the Dusters Employees (including certain ex-employees) and Dusters Promoters.

As set forth in the Dusters SHA, certain principal terms of the Dusters acquisition include:

(i) the Dusters Promoters (a) remaining on Dusters' board and being involved in day-to-day management of Dusters till they hold any Dusters Shares, (b) having affirmative voting rights over certain decisions in board and shareholder meetings, and (c) having tag-along rights in the event we transfer our Dusters Shares to a third party;

(ii) a call-option for us, upon an event of default by the Dusters Promoters, to purchase any Dusters Shares that continue to be held by the Dusters Promoters, at a discount of 30% on the equity value of such shares, calculated on the basis of the EBITDA of Dusters, an applicable multiple and the net financial debt of Dusters; and

(iii) an accelerated put option for the Dusters Promoters, upon an event of default by us, to sell any Dusters Shares that held by them at a premium of 30% to the equity value of such shares.

For further details, see "*History and Certain Corporate Matters – Material Agreements – Other Agreements – Agreements for acquisition of Dusters*" on page 222.

Further, our joint venture companies, SIS Cash and SIS Prosegur, entered into a business transfer agreement to acquire specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security Management Services Private Limited ("**Scientific Security**"), effective December 10, 2016, by way of slump sale, for consideration of up to ₹180.00 million. On May 19, 2016, we acquired additional equity interest in our Subsidiary, Lotus Learning Private Limited ("**Lotus**"), for an aggregate consideration of ₹180.00 million pursuant to which Lotus became our 99.99% owned Subsidiary. In December 2014, we acquired the cash and valuables services division of ISS SDB Security Services Private Limited in India and in August, 2008 we acquired the manned guarding business of Chubb Security in Australia. In addition, we intend to continue to explore selective strategic acquisitions both in India and outside, for inorganic growth. For further information, relating to our acquisition strategy, see "*Our Business — Our Strategy — Inorganic growth through strategic acquisitions*" on page 187.

Our acquisitions involve a significant number of risks, including, but not limited to, risks arising from change of control provisions in contracts of any acquired company, local law factors and risks associated with restructuring operations. The successful implementation of acquisitions depends on a range of factors, including funding arrangements, cultural compatibility and integration. Potential difficulties that we may encounter as part of an acquisition could include the following:

- our inability to turnaround or grow a business, which may also result in our inability to meet acquisition finance costs;
- underestimated costs associated with the acquisition or over-valuation by us of acquired companies;
- incurring of debt or loan liabilities in order to finance an acquisition and execution of financing agreements with restrictive covenants in relation to the same;
- insufficient indemnification from the selling parties for legal liabilities incurred by the acquired company prior to the acquisition;
- our failure to discover issues around an acquired company's intellectual property, customer relationships, accounting practices or regulatory compliances;
- financial liabilities (including payment of arrears in remuneration and other labour welfare benefits) of acquired companies;
- potential unknown liabilities, legal contingencies and unforeseen increased expenses or delays associated with the acquisition;
- delays in the integration of strategies, operations and services and increased costs of integration;
- attrition and differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;
- the possibility that the full benefits anticipated to result from the acquisition will not be realized;
- reallocation of our management's time from our existing business as a result of the acquisition;
- litigation or other claims in connection with acquired companies, including claims from terminated employees, customers, former stockholders or other third parties;
- retaining key executives and other employees;
- challenges associated with creating and enforcing uniform standards, controls, procedures and policies;
- the disruption of, or the reduction in growth in, our ongoing businesses; and
- foreign exchange controls and other changes in regulatory environment.

If we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following an acquisition, the anticipated benefits and synergies of our recent or any future acquisitions may not be realized fully, or at all, or may take longer to realize than expected. Additionally, no assurance can be given that any businesses acquired will be profitable. Any failure to realize anticipated benefits in a timely manner could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, the share purchase and shareholder agreements entered into among the remaining shareholders of Dusters and our Company, provide for a mechanism for us to acquire 100.00% of the outstanding equity shares of Dusters by August 2019, in one or more tranches, and at a price determined according to an agreed valuation formula. In terms of the Dusters SPAs, the balance Dusters Shares held by the Dusters Promoters and the Dusters Employees ("**Balance Dusters Shares**") are to be valued for purchase by us by August 31, 2019 using a formula based on the CAGR achieved by Dusters in its EBITDA from Fiscal Year 2017 to Fiscal Year 2019. In the interim period, upon Dusters' achieving a minimum EBITDA of ₹187 million in Fiscal Years 2017 or 2018, the Dusters Promoters and the Dusters Employees have a put-option to sell one-third of the Balance Dusters Shares (at the end of Fiscal Year 2017 and Fiscal Year 2018) at a value based on the EBITDA of Dusters, reduced by its net debt. Subsequently, no later than August 31, 2019, we have agreed to acquire any Balance Dusters Shares based on the principles mentioned above, after reducing any amounts paid by us pursuant to exercise by the Dusters Employees and the Dusters Promoters of the put-option in Fiscal Years 2017 and 2018. In furtherance of these provisions, on July 31, 2017, we have acquired a further 7.20% of the outstanding equity shares of Dusters from the Dusters Employees (including certain ex-employees) and Dusters Promoters. For further details, see "*History and Certain Corporate Matters – Material Agreements – Other Agreements – Agreements for acquisition of Dusters*" on page 222.

Our inability to meet our contractual obligation to purchase the remaining 14.08% of the outstanding equity shares of Dusters in accordance with the share purchase agreements, will lead to an event of default under the terms of the shareholders' agreement dated August 26, 2016 entered into among the remaining shareholders of Dusters and our Company. As a result of such default, we may be obligated to purchase the remaining shares of Dusters at a premium of 30.00%, above the value of the equity shares computed at the relevant time.

In addition, we may not be able to identify suitable acquisition candidates or opportunities, negotiate attractive terms or expand, improve and augment our existing businesses. The number of attractive expansion opportunities may be limited, and attractive opportunities may command high valuations for which we may be unable to secure the necessary financing or our internal accruals may not be sufficient to invest in such opportunities. If we are not able to successfully identify opportunities to build, acquire or expand our additional and existing private security and facility management services or if we face difficulties in the process of acquiring, developing or expanding such operations, or if our competitors capitalize on such opportunities before we do, our business and prospects may be adversely affected.

12. *We are subject to risks associated with operating with joint venture and other strategic partners.*

Our Company has entered into joint ventures in India with Singpai Pte. Ltd., an affiliate of Prosegur Compañía de Seguridad, S.A ("**Prosegur**") and SVM Services (Singapore) Private Limited, an affiliate of Terminix International Company, Limited Partnership ("**Terminix**"), in relation to our cash logistics and pest and termite control businesses, respectively. Our Company's interests in these joint ventures include majority and minority control positions. These joint ventures contributed 3.78%, 7.63% and 5.81% to our restated consolidated revenue from operations in the Fiscal Years 2017, 2016 and 2015, respectively. In addition, we have entered into a license agreement with The ServiceMaster Company, LLC ("**ServiceMaster**") in relation to our facility management business, which has been assigned to our subsidiary Service Master Clean Limited ("**SMC**"). SMC has entered into a joint venture in India with Singpai Alarms Pte. Ltd., an affiliate of Prosegur, in relation to our home alarm monitoring and response services related business. Further, with effect from July 1, 2017, we, through our 100.00% Subsidiary, SIS Australia Group, acquired an additional 41.00% of the voting rights in SXP. In furtherance of the SXP Acquisition, SIS Australia Group has entered into the SXP SHA. For further details, see "*History and Certain Corporate Matters – Material Agreements - Other Agreements - Agreements for acquisition of Andwills and indirect acquisition of SXP*" on page 223.

We need the cooperation and consent of our joint venture partners in connection with the operations of our joint ventures, which may not always be forthcoming and we may not always be successful at managing our relationships with such partners. There are certain risks associated in operating with joint venture partners, including the risk that our joint venture partners may:

- have economic or business interests or goals that are inconsistent with our interests and goals;
- exercise veto rights in relation to our proposals in respect of joint venture operations and future financing requirements;
- be unable or unwilling to fulfil their obligations under the relevant joint venture or other agreement and have disputes with us or terminate such agreements;
- take actions contrary to our instructions or requests or contrary to a joint ventures company's policies and objectives;
- take actions that are not acceptable to regulatory authorities; or
- experience financial or other difficulties.

Further, our ownership interest in our joint ventures with Singpai Private Limited and Singpai Alarms Ptd. Ltd., i.e., SIS Cash Services Private Limited ("**SIS Cash**") and in SIS Prosegur Alarm Monitoring and Response Services Private Limited ("**SIS Alarms**") is 49.00% and 50.00%, respectively. Consequently, we do not have a controlling shareholding interest in either joint venture. Joint venture agreements we have executed in relation to SIS Cash and SIS Alarms provide us with certain contractual rights relating to the business and operations of these joint ventures. In relation to SIS Cash, we have a right to veto certain decisions that affect our rights as shareholders or our investment, and in relation to SIS Alarms, we have the right to determine certain matters such as potential acquisitions, indebtedness, liquidation and the business plan through the company's governance committee on which we have the right to appoint a majority of the members. Any disputes resulting from our exercise of such rights or leading to deadlock could cause delays and/or curtail the business or operations of these joint ventures while the matter is being resolved through arbitration.

In addition, we rely on the technology, intellectual property, brand name, goodwill and know-how of our joint venture and strategic partners in relation to our cash logistics, home alarm monitoring and response services and facility management business. For instance, SIS Cash has licensed cash-in-transit processes and know-how and trademarks and SIS Alarms has licensed home alarms related technology and trademarks, from Prosegur. SIS Terminix also utilizes certain proprietary operating material, trademarks, equipment, processes, mechanisms, knowhow and technical support services that have been licensed from Terminix. In addition, we have licensed certain proprietary commercial cleaning technology, trademarks and knowhow from ServiceMaster as part of the license agreement. We may not be able to access such technology, intellectual property and know-how in the event of any discontinuation, disruption, termination or breach of the arrangements we have in place with our joint venture and strategic partners, resulting in an adverse impact on our business and financial condition.

Our Company has also provided representations and warranties and consequent indemnities in relation to our joint venture agreements. For instance, in our joint venture agreement dated May 25, 2011 with Prosegur in relation to our cash logistics business, our Company has provided certain indemnities to Prosegur and SIS Cash in the event there is any action initiated in respect of compliances with certain labour laws for periods prior to the business being operated by the joint venture.

Further, while the joint venture agreement with respect to our cash logistics business was originally entered with Prosegur, Prosegur subsequently assigned it to Singpai Pte Limited ("**Singpai**") by an assignment agreement dated June 17, 2011. However, the approval for technical collaboration granted by the Foreign Promotion Investment Board ("**FIPB**") records the name of Prosegur as the technical collaborator instead of Singpai. Subsequently, Prosegur and Singpai have represented to FIPB and clarified that Singpai shall be the technical collaborator and Singpai has also indemnified us against any loss suffered by us as a result of Singpai's failure to obtain a formal written clarification from FIPB. However, we cannot assure you that the FIPB will not initiate any action in this regard in the future.

There can be no assurance that we will always have a controlling interest in any joint venture we may enter into. Further, in the event we acquire a controlling interest in an entity, the loss of controlling interest may occur as a result of, for example, the imposition of, or changes in, foreign ownership restrictions under applicable laws. Our ability to grow through such investments or joint ventures depends on many factors, including local law considerations and the ability to find suitable investment targets and willing joint venture partners. In the event any of the risks in relation to our existing joint ventures and license arrangements, future joint ventures or other strategic relationships materialize, our results of operations and financial condition may be adversely affected.

13. ***We derive a significant portion of our total revenue from our security services business. Any decrease in the demand for our security services may have an adverse impact on our business, financial condition and result of operations.***

Our security services business in India and Australia contributed a significant portion of our total revenue from operations, which was ₹39,820.15 million, ₹34,473.90 million and ₹32,772.00 million or 87.19%, 89.86% and 92.30% of our total revenues from operations for Fiscal Years 2017, 2016 and 2015, respectively. Further, within our security services business, our revenues from our security services business in Australia (not including the pro forma impact of the SXP acquisition) were ₹23,945.35 million, ₹21,925.88 million, and ₹22,509.35 million or 52.43%, 57.15% and 63.40% of our total revenues from operations for Fiscal Years 2017, 2016 and 2015, respectively. We are exposed to the risk of reduction in the demand for our security services due to a potential shift away from physical security towards less labour intensive electronic security, alarms, video surveillance and other technology based systems, particularly in developed countries, such as Australia. In addition, we may face increased competition from unorganized sector players due to cost-sensitiveness of certain customers or the location or nature of service demanded. Although, our strategy is to actively grow our other lines of business, including our facility management, electronic security and home alarms businesses, our security services business will continue to constitute a significant portion of our revenues and operating profits and any decline in, or adverse impact on, our security services business may have an adverse impact on our business, financial condition and results of operations.

14. ***Our cash logistics business exposes us to additional risks in relation to the conduct of our employees, contractual liability and inadequate insurance cover, all of which may have an adverse effect on our reputation, business, results of operations and financial condition.***

We provided cash logistics services through SIS Cash Services Private Limited, our joint venture with Singpai Pte Limited, an affiliate of Prosegur Compañía de Seguridad, S.A, to ATMs across India and, as of April 30, 2017, operate 2,518 cash vans, either owned, leased and hired. Our cash logistics business contributed 3.61% and 7.45% to our total revenues for Fiscal Years 2017 and 2016, respectively. Our cash logistics business exposes us to certain risks, including the potential for cash-in-transit losses, employee theft, as well as claims for personal injury, wrongful death, worker's compensation, punitive damages, and general liability.

Our cash logistics operations depend substantially on the integrity of our employees and personnel. In the course of our recruitment and background check process when hiring employees, we may be supplied with false or incomplete background information. These situations expose us to risk of thefts, robberies, fraud and other forms of malpractice from our employees and personnel, including shortfalls in cash or the loading of counterfeit cash. For instance, we have filed several criminal complaints and cases against employees of our cash management business in relation to allegations of misappropriation of cash and theft of money from ATMs and for ATM replenishment and misappropriation of money from our Company's account. For further details, see "*Outstanding Litigation and Material Developments – Outstanding criminal litigation involving our Group Companies*" on page 478. Our internal controls and protocols may be insufficient to adequately protect us from misconduct by our employees and/or third-party service providers. Cash losses can also occur due to natural disasters, including cyclones and hurricanes, fires, vandalism, criminal attacks and technical faults.

The availability of adequate, quality and reliable insurance coverage is an important factor in our ability to successfully operate this aspect of our business. While we have instituted employee fidelity insurance policies, pursuant to certain of our ATM replenishment and allied service contracts, we are liable to make good losses of cash to our customers within a fixed period, regardless of whether such claims are settled by our insurance provider. We may be required to bear the loss of any delays by insurance providers in settling claims, face denial of the loss claim under the insurance coverage or face a loss which is in excess of our insurance coverage, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

15. ***The nature of our operations exposes us to additional public scrutiny, consequently, any accidents or incidents, which may occur, may be reported widely, adversely affecting our reputation.***

We render security services at locations frequented by the general public, which include airports, hospitals, hotels, public parks and large public events, and as a result we are subject to additional public scrutiny and media attention. Any incidents or accidents that may occur, or allegations that may be made, which directly or indirectly relate to the actions of our employees, may attract the interest of the media, stakeholders and members of the public and generate adverse publicity. In May 2017, we experience a cash theft of ₹ 75 million, of which a significant amount has been recovered and an insurance claim filed for the balance amount. Further, in November 2015 a theft of currency amounting to approximately ₹225.00 million, a substantial amount of which was subsequently recovered, involved two of our employees in relation to our cash logistics business and was reported by national media in India. Such negative publicity may adversely affect our brand and reputation and consequently our business and financial condition.

16. ***Our security services and cash logistics businesses include the carrying and handling of firearms and ammunition by certain of our employees. Any misuse or contravention of laws or policies relating to firearms by our personnel may adversely affect our reputation and expose us to potential liabilities.***

We are exposed to certain risks associated with our armed guard services and the handling of firearms and ammunition by our employees. In India, we employed 4,284 personnel who were licensed to carry and operate firearms, as of April 30, 2017. We are not permitted to procure or license firearms in India directly, and instead recruit armed guards and security officers who have procured licenses for the firearms they carry and are responsible for the purchase and maintenance of their firearms and ammunition and renewals of their licenses. This restriction exposes us to significant business and operational risk, particularly with respect to our cash logistics business where the ability to carry firearms is usually a requirement in order to ensure enhanced security of high value items. In Australia, we employed 80 personnel who were licensed to carry and operate firearms, as of April 30, 2017. There is a separate Australian state based legislative regime covering the possession, use, licensing and ownership of firearms used in the provision of security services. These laws include the requirement that a business, as well as specific employees, engaged in the provision of armed security services must hold a valid license.

We may face liability or reputational damage in the event of misuse or contravention of laws or policies in handling arms and ammunition by our employees, resulting in any person, including an employee of a customer, member of the public or high profile persons being injured or killed. Notwithstanding certain controls in our employment policies and other operating procedures and our extensive training initiative, there can be no assurance that our employees or personnel will not be involved in an incident which may have an adverse effect on our reputation and expose us to liabilities, resulting in an adverse effect on our business and financial condition.

17. ***Our cash logistics business derives a significant portion of its revenue from a few customers and our Australia security services business relies on customers in certain industry sectors, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our services could adversely affect our business, results of operations, financial condition and cash flows.***

Given the nature of the industry, our cash logistics business in dependent on a limited number of customers for a significant portion of its revenues. For Fiscal Years 2017, 2016 and 2015, our top ten customers contributed 79.80%, 81.66% and 80.29% of our revenues from our cash logistics business, respectively. Further, in Australia, public sector undertakings and governmental customers, including customers in the defence sector, contributed 30.90% and 31.59% of our revenues from the Australian security services business, for Fiscal Years 2017 and 2016, respectively. Any reduction in growth or a slow-down in the business of our customers in India and Australia, could result in a reduction of their requirement for our services, and result in a significant decrease in the revenues we derive from these customers. The loss of one or more of our significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our cash logistics business in India and security services business in Australia, and thus our results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business from such significant customers, or that we will be able to significantly reduce customer concentration in the future.

18. ***Our customer agreements include certain restrictive covenants which may limit our ability to carry out our business operations. Certain of our customer agreements may be terminated without cause, which could have an adverse impact on our business.***

We enter into various agreements with our customers for rendering services, including master service agreements and corresponding service orders. Some of these agreements require us to comply with the code of conduct and rules and regulations prescribed by our customers. Our customers also have the right to terminate service contracts in the event we do not comply with their requirements or our services fail to meet the quality standards set out in our agreements. In the event that we are unable to meet such obligations, our customers may terminate the agreements and we may be required to pay compensation on terms set out in the agreements. Compliance with these requirements may restrict our ability to undertaken certain business operations and may increase our compliance costs.

In addition, certain of our customer contracts give our customers the right to terminate the contracts without cause with or without giving notice. Further, some of these agreements require us to provide indemnity to our customers, with respect of any negligent act, or omission by or our misconduct of our employees. In the event that there is an increase in the number of customers terminating our contracts without cause, or in case there is increase in claims against us, for which we are not insured and we are unable to secure new contracts to offset the loss of these contracts, our business, financial condition and results of operations may be adversely affected.

19. ***We may not be able to successfully grow our new businesses which may result in an adverse impact on our prospects and our revenues.***

We offer a wide variety of services including services such as facility management including housekeeping and mechanized cleaning and pest and termite control, electronic security and home alarms, which are relatively new to our portfolio. For Fiscal Year 2017, our Subsidiary, SIS Terminix incurred a loss after tax amounting to ₹41.84 million and our joint ventures, SIS Cash and SIS Prosegur, incurred losses after tax amounting to ₹64.70 million and ₹41.97 million, respectively. Further, in Fiscal Year 2016, our subsidiaries, SIS Terminix and Tech SIS incurred losses after tax amounting to ₹39.58 million and ₹16.72 million, respectively, and our joint ventures, SIS Cash and SIS Prosegur, incurred losses after tax amounting to ₹126.56 million and ₹78.94 million, respectively. Our future growth depends, in part, on our ability to develop and grow our facility management, electronic security and pest and termite control businesses. The process of launching new businesses requires accurate anticipation of customers' needs and emerging technological trends. This may require that we make long-term investments and commit significant resources before knowing whether these investments will eventually result in businesses that achieve customer acceptance and generate the revenues required to provide desired returns. In the past, we have entered into joint venture and license agreements to grow our newer businesses, such as our joint ventures for cash logistics, home alarms and pest and termite control businesses. Termination of any such contracts or arrangements with third parties or restriction on the ability to use the technology, expertise and brand name of such third parties may also impact the growth of our new businesses. Further, the terms of (i) the joint venture agreement entered with Singpai Alarms Pte. Ltd. with respect to our alarm monitoring and response service business; (ii) the joint venture agreement entered with SVM Services (Singapore) Pte Limited with respect to our pest and termite control business; and (iii) the international master license agreement with ServiceMaster with respect to our facility management business, contain certain non-compete restrictions, which restrict us from entering into new partnerships and also place restrictions for undertaking the business in certain geographic locations, which may limit our ability to expand our businesses. We may experience difficulties that could delay or hinder the successful development, introduction and marketing of new businesses. We can give no assurance that we will be able to achieve the business performance, growth and profitability which we expect from our relatively new businesses. Further, our new services may not satisfy the demands of the market, which may result in an adverse effect on our business, results of operations and financial condition.

20. ***Our investments in technology systems may not yield intended results. The cost of implementing technologies for our operations could be significant and could adversely affect our business, results of operations and financial condition.***

Our operations depend in part upon the use and deployments of technology initiatives on a cost effective and timely basis with constant introduction of new and enhanced solutions. We have already deployed software tools such as our enterprise resource planning ("**ERP**") and reporting systems. In addition, we deployed 'iOps' our mobile enabled security operations platform in August 2016 and 'SalesMaxx', our portable tablet sales kit to manage our activities and processes, in March 2017. We rely on such technology to connect our various branches, provide operational and performance related data, manage customer relations and marketing, reduce overheads and ensure integration between our various support functions. For further information regarding our information technology systems, see "*Our Business – Information Technology*" on page 199.

Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not yield intended results. We are also investing in other technological upgrades to achieve our strategic objectives and to remain competitive. Our new systems, infrastructure and technologies may not perform satisfactorily, or be used effectively, and we may also fail to adapt our service platforms to reflect our increased size and scale, user requirements or emerging trends and industry standards. If we do not effectively manage our growth and appropriately expand and upgrade or downsize and scale back our systems and platforms, as appropriate, in a timely manner and at a reasonable cost, we may lose market opportunities, increase our costs and lead to us being less competitive in terms of our prices or quality of services we render. Any delays in completing or an inability to successfully complete these technology initiatives, or an inability to achieve the anticipated efficiencies, could affect our result of operations and financial condition.

21. ***We may not be able to implement our business strategies or sustain and manage our growth, which may adversely affect our business, results of operations, financial condition and cash flows.***

In recent years, we have experienced significant growth, with our total revenue having increased from ₹26,577.00 million for the Fiscal Year 2013 to ₹45,771.22 million for the Fiscal Year 2017. As of April 30, 2017, we had 251 branches in India and 13 offices in Australia, and serviced 11,869 customer premises across India and 245 customers across Australia. Our growth strategy includes expanding our existing businesses in the Asia Pacific region and in private and government customer segments in India and Australia. We cannot assure you that our growth strategies will be successful or that we will be able to continue to expand further or diversify our service offerings.

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

22. ***Our ability to service contracts with public sector undertakings or governmental customers may be affected by political and administrative decisions.***

In Australia, public sector undertakings and governmental customers, including customers in the defense sector, contributed 30.90% and 31.59% of our revenues from the Australian security services business, for Fiscal Years 2017 and 2016, respectively. Further, contracts with the Indian public sector undertakings and Government organizations contributed 7.93% and 6.54% of our revenues from operations in our security services business India, for Fiscal Years 2017 and 2016, respectively. In addition, a component of our strategy to grow our security and facility management business is increasing our presence with government enterprises leveraging on government outsourcing initiatives. The performance of our services for public sector undertakings or governmental customers may be affected by political and administrative decisions concerning levels of public spending and public opinion on outsourcing in general. In certain cases, due to applicable regulations, certain terms of public sector contracts, such as pricing terms, contract period, use of subcontractors and ability to transfer receivables under the contract, are less flexible than comparable private sector contracts. Further, payments from public sector customers may be, and have been, subject to delays, due to regulatory scrutiny and procedural formalities, including audit by the Comptroller and Auditor General of India. To the extent that payments under our contracts with governmental and public sector customers are delayed, our cash flows may be impacted. Additionally, any decisions to decrease public spending in India or Australia as a result of an economic downturn, or otherwise, may result in the termination or downscaling of public sector contracts, which could have a material adverse effect on our business, results of operations or financial condition.

23. ***Non-compliance with and changes in, security services related, safety, health and other applicable regulations, may adversely affect our business, reputation, results of operations and financial condition.***

We are subject to several laws and government rules and regulations, including in relation to rendering security services, safety and health. These regulations impose controls on the manner of carrying out our operations. For instance, the PSARA prescribes eligibility and preference requirements in the recruitment of our personnel, requires us to impart prescribed training and skills to our security personnel, ensure compliance with certain labour welfare laws, maintain registers containing details of our employees and customers, employ a certain number of supervisory personnel and imposes privacy obligations and requirements to cooperate with and report violations of law to law enforcement officials. We receive notices from regulatory and statutory authorities in the ordinary course of our business. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being commenced against us, third party claims or the cancellation our license to provide private security services, levy of regulatory fines, or contractual claims by our joint venture partners under the terms of our joint venture agreements, which may adversely affect our business, results of operations and financial condition.

Further, in order to regulate the secured cash movement in day to day banking operations, the Ministry of Home Affairs, Government of India, has issued the 'Draft Standard Operating Procedures for Secured Cash Handling and Transportation by Private Agencies Under Private Securities Agencies (Regulation) Act, 2005' on March 23, 2016 ("**Draft SoPs**") which propose certain risk mitigation measures, such as, (i) use of specifically designed and fabricated cash vans with safety features such as CCTV camera's fitted in each cash van; (ii) ensuring minimum number of trained personnel per cash van; and (iii) enhanced verification requirements for all personnel involved in cash transportation, which includes mandatory police verification, residence verification, previous employer check and two guarantors (one of which should be, or was in the past, a government servant) for each security personnel proposed to be employed by any security agency. The Draft SoPs also propose restricting cash loading of ATMs or cash movement beyond 8:00 pm in urban areas and 5 pm in rural areas. Further, the Draft SoPs propose restricting cash van operations in naxal affected areas between 9:00 am and 3:00 pm. While the Draft SoPs have currently not come into force, if such requirements are enforced, our compliance and operating costs may increase, which may affect our profitability. Further, if we are unable to comply with any such regulatory requirements, our business and results of operations may be materially and adversely affected.

24. ***We are required to obtain, maintain or renew statutory and regulatory licenses (including PSARA Approvals) in respect of our principal business lines, and if we fail to do so, in a timely manner or at all, we may be unable to fully or partially operate our businesses and our results of operations may be adversely affected.***

We are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India and Australia, generally for carrying out our business. In particular, we are required to obtain PSARA Approvals (JSARA in Jammu & Kashmir) for providing private security services in India. PSARA Approvals are required to be obtained from relevant Competent Authorities. Our Company and our Joint Ventures, SIS Cash and SIS Prosegur are required to avail PSARA Approvals to provide security and cash logistics services. A PSARA Approval is valid for a period of five years, unless cancelled.

As on the date of this Prospectus: (i) our Company operates in 34 states and union territories, but has obtained valid PSARA Approvals only in 24 states and five union territories. Our Company's applications for grant/

renewal of PSARA Approvals in three states are pending, while two states where our Company operates are yet to notify Competent Authorities to which an application can be made; (ii) SIS Cash operates in 27 states and two union territories, but has obtained valid PSARA Approvals only in nine states and one union territory. SIS Cash has made applications for grant of PSARA Approvals in 18 states and union territories which are pending, while one of the states in which SIS Cash operates is yet to notify a Competent Authority to which an application can be made; and (iii) SIS Prosegur operates in 14 states and two union territories but has not obtained any valid PSARA Approval. SIS Prosegur has applied for grant of PSARA Approvals in 16 states and union territories, which are currently pending.

For providing security services in Australia, we require permits and approvals under security services licensing laws, firearms licensing laws and laws relating to regulation, control and prohibition of the supply and use of certain drugs, substances and therapeutic goods, as implemented by each individual state in Australia. The Australian security industry is highly regulated by several legislations that prescribe the requirements for both companies and individuals involved in the provision of security services. For further details see "*Regulations and Policies - Key regulations applicable to our Subsidiaries incorporated outside India*" on page 208.

A majority of these approvals are granted for a limited duration and require renewal. The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged noncompliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, or if there is any adverse interpretation of applicable regulations by any judicial, regulatory or administrative authority, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. If we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the submission or grant of approval for carrying out our business. If we fail to obtain or renew such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations and financial condition may be adversely affected. For further details of key regulations applicable to our business and our operations, see "*Regulations and Policies*" on page 204 and for details of pending approvals relating to our business and operations, see "*Government and Other Approvals*" on page 490.

25. ***PSARA Approvals pertaining to our operations in certain states have been suspended in the past. If any of our current PSARA Approvals are revoked, suspended or rescinded, our private security business could be adversely affected.***

We are required to obtain PSARA (JSARA in Jammu & Kashmir) Approvals for providing private security and cash management services in India. PSARA Approvals are obtained from relevant Competent Authorities, and are valid for a period of five years, unless cancelled earlier. See "*Government and Other Approvals – Business Approvals – Licenses under the Private Security Agencies (Regulation) Act, 2005*".

Some of our PSARA Approvals have been suspended in the past. In August 2014, our PSARA Approval for operations in Madhya Pradesh was suspended by a letter from the Police Headquarters, Madhya Pradesh that stated that (a) the PSARA Approval had been taken in the name of an individual who was no longer in the employment of our Company, and (b) that our Company had not complied with provisions of PSARA and rules made thereunder in Madhya Pradesh. Subsequently, we re-applied for a PSARA Approval in the name of Rituraj Kishore Sinha, one of our Promoters, and a renewed PSARA Approval was granted in April 2015. Given that we continued our operations concurrently with our efforts to procure a PSARA Approval after suspension, certain proceeding were initiated against us alleging that we were carrying out private security activities in Madhya Pradesh without a valid PSARA Approval. For further details, see "*Outstanding Litigation and Material Developments*" on page 467.

Further, in August 2014, our application for renewal of our PSARA Approval for operations in Gujarat was rejected by the Gujarat Controlling Authority, primarily on account of our renewal application being signed by an employee and not by a director or principal shareholder. We filed an appeal against this order, and subsequently, the Home Department, Government of Gujarat stayed the rejection order. Subsequently, a renewed PSARA Approval was granted in July 2015. Since most applications for PSARA Approvals are made, and PSARA Approvals, granted in the name of employees and managers, if the Controlling Authorities in these states were to take a similar interpretation, our PSARA Approvals and applications could be rejected

We cannot assure you that our current PSARA Approvals will not be revoked, suspended or rescinded or that our applications for fresh grant and renewal of PSARA Approvals will be accepted. Any revocation or cancellation can affect our ability to provide security services, require us to suspend our services in certain states, expose us to regulatory investigation, scrutiny and litigation, and adversely affect our results of operations.

26. *Any decrease in the use of cash as a mode of payment could have an adverse effect on our cash logistics business.*

Our cash logistics business is significantly dependent on the maintenance and growth of the ATM network in India, increase in the number of bank branches in India and on the use of cash as a mode of payment. The proliferation of payment options other than cash, increasing installation of card payment machines at point of sales and on-line purchase activity, could result in a reduced need for cash in the marketplace and a decline in the need for ATMs in the country. In the event of a decline in the use of cash as a mode of payment, our banking customers may decide not to expand their ATM network or may downsize their current ATM network. Any such decision by our banking customers could have an adverse effect on our business, results of operations, cash flows and financial condition. Our cash logistics businesses may also be adversely affected by any significant reduction in the amount of cash or valuables transported. This might arise through a reduction of cash in circulation or valuables held by our customers, whether generally or in particular geographical locations or markets.

Pursuant to notifications dated 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. The impact of this has been felt on our cash logistics business during the time frame of November 2016 to February 2017 with lower cash replenishment in the ATMs served by us on account of shortage of currency notes of newer denomination. The long-term effects of demonetization, and other initiatives that may be introduced by the GoI to encourage cashless transactions in India, on the use and acceptance of cash on the Indian economy, and our cash logistics business are uncertain and we cannot accurately predict its effect on our business, results of operations, financial condition and prospects.

27. *Inability to successfully expand our business in international markets may affect our growth which may have an adverse effect on our business, results of operations and financial condition.*

Expansion into new international markets is important to our long-term growth. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. In increasing our headcount and our revenue generated in foreign countries, we face various risks, including:

- legal and regulatory restrictions and differences in various legal and regulatory jurisdictions in which we operate;
- increased advertising and brand building expenditure;
- competition from existing players in such markets;
- foreign exchange controls that might prevent us from repatriating cash earned in foreign countries;
- political and economic instability;
- challenges caused by distance, language and cultural differences;
- currency exchange rate fluctuations;
- potentially adverse tax consequences; and
- higher costs associated with doing business internationally.

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

28. ***Significant disruptions of information technology systems or breaches of data security could adversely affect our business.***

Our business is dependent upon increasingly complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. For instance, we have a technology platform to recruit, train, deploy and manage our personnel and have deployed third party technology systems for data collection, analysis and customer relations management. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Although we have not experienced any significant disruptions to our information technology systems in the past, we cannot assure you that we will not encounter disruptions in the future. While we have instituted a disaster recovery planning ("**DRP**") procedure to protect our information technology systems from such disruptions, any such disruption may result in the loss of key information and/or disruption of our business processes, which could adversely affect our business and results of operations.

In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our customers, employees and others. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business, reputation, results of operations and financial condition.

29. ***The industries in which we operate are intensely competitive and our inability to compete effectively may adversely affect our business, results of operations and financial condition.***

The industries in which we operate comprise a number of very fragmented and competitive markets, particularly at the local level, with smaller operators competing for local contracts. There is intense pricing competition from private security agencies which operate at the local level, which may be preferred by certain customers, due to factors such as better pricing, ability to speak the regional language and better coordination with local administrative and law enforcement agencies. Specifically, the security services, facility management including pest and termite control and electronic security markets have relatively low economic barriers to entry and competitive pricing. Competition in these industries may also intensify if service providers offering limited services begin to offer integrated services. Many of our competitors may also have greater financial, operational, technical, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader service offerings or a stronger sales force. In addition to our current competitors, additional competitors may enter the market. Our competitors may succeed in rendering services more effectively and economically than us, which may make our services uncompetitive and adversely affect our business, results of operations and financial condition. See "*Industry Overview*" on pages 149 and "*Our Business – Competition*" on page 202 for further details.

30. ***The pro-forma financial information included in this Prospectus may not accurately reflect our future results of operations, financial position and cash flows.***

This Prospectus contains Proforma Financial Statements as of and for the year ended March 31, 2017, to give a pro forma effect to our acquisition of:

(a) 51% equity interest and voting rights in Andwills; and
(b) 78.72% of the outstanding equity shares of Dusters which was effective August 1, 2016.

The Proforma Financial Statements have been prepared, based on the same accounting policies as our restated consolidated financial statements, to show the main effects of such acquisition on our results of operations i.e. (i) the unaudited pro forma statements of profit and loss for year ended March 31, 2017 combine the financial statements of our Company, Andwills and Dusters for the aforesaid period, as if all acquisitions had taken place on April 1, 2016; and (ii) the unaudited pro forma balance sheet as at March 31, 2017 has been prepared to reflect the acquisition by our Company of Andwills as of March 31, 2017. The Proforma Financial Statements do not take into account the further acquisition of 7.20% of the outstanding equity shares of Dusters by us on July 31, 2017.

As this pro-forma financial information is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of our actual financial position and results of operations that would have occurred had the acquisition and probable acquisition of Dusters by the Company been effected on the dates they are assumed to have been effected. If the various assumptions underlying the preparation of the pro-forma financial information do not occur, our actual financial results could be materially different from those indicated in the pro-forma financial information.

31. ***Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***

As of May 31, 2017, our total outstanding indebtedness was ₹9,175.01 million. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things:

- alteration of the capital structure of our Company and certain Subsidiaries in any manner;
- undertaking any term loans borrowings;
- making changes to our management set up;
- making any change in ownership and shareholding pattern, including effecting any change in our actual and beneficial ownership or control, of our Company and certain Subsidiaries;
- making any investment in group companies, joint ventures or associates;
- effecting any amalgamation, merger, reconstruction, takeover or consolidation in relation to our Company and certain Subsidiaries;
- amending the memorandum and articles of association of our Company and certain Subsidiaries;
- concluding any fresh borrowing arrangements, either secured or unsecured, with any other lender;
- creation of further charge, lien or encumbrance on assets hypothecated with our lenders;
- effecting any material change in the management of our business or our operating structure;
- undertaking new projects or implementing any scheme of expansion or acquiring fixed assets;
- making any investment by way of subscription to share capital of, and loans, deposits or advances to, any other entity (including our group companies and associate companies);
- undertaking guarantee obligations on behalf of any other lender or any third party;
- declaring dividends; and
- effecting any repayment of loans and deposits and discharging other liabilities except those shown in the fund flow statements submitted to our lenders from time to time.

In relation to loan facilities availed of by our Subsidiaries, for instance, from Yes Bank for facilities of ₹330.00 million and ₹20.00 million availed by Service Master Clean Limited and facilities of ₹410.00 million availed of by Tech SIS and from National Bank Australia Limited for facilities of AUD 40.00 million availed of by SIS Australia Group Pty Limited, our Company has provided corporate guarantees assuring repayment of such loan facilities. Further our Company has pledged the shares of SIS Australia Group Pty. Ltd. held by it, in relation to the facilities of AUD 40.00 million availed from National Bank Australia Limited. Additionally, we have pledged 59.00% of our shareholding in SMC and 78.72% of our shareholding in Dusters to secure loan facilities availed from Piramal Finance Limited. In the event any Subsidiary or any other guarantor under the loan facilities commits a default, or fails to meet their obligations under the facility agreements, there is a risk that the lender may enforce its rights against our Company or our Subsidiaries. See "*Financial Indebtedness*" on page 464 for further details. In the event that any lender seeks the accelerated repayment of any such loan or seeks to, and is successful in, enforcing any other rights against us, including enforcing the corporate guarantees and pledge on shares, there could be a material adverse effect on our business, financial condition and results of operations.

In addition, certain terms of our borrowings require us to maintain financial ratios, such as total debt to net worth, total debt to EBITDA and debt service coverage ratios, which are tested periodically, including on a quarterly or annual basis. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Certain of our financing arrangements also contain cross-default provisions which could automatically trigger defaults under other financing arrangements. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations and financial condition.

32. ***We have availed certain unsecured loans that are recallable by the lenders, subject to the terms and conditions of their grant, at any time.***

We have availed of unsecured loans from certain lenders (namely, Standard Chartered Bank Limited, and Yes Bank Limited, as on May 31, 2017) that are recallable on demand. In such cases, the lender is empowered to require repayment of the facility at any point in time during the tenor. In case any of these loans are recalled on demand by the lenders and we are unable to repay the outstanding amounts under the facility at that point, it would constitute an event of default under the respective loan agreements. As on May 31, 2017, the total amount of unsecured loans availed and outstanding were ₹ 100.00 million. See "*Financial Statements"* on page 287.

33. ***We have experienced negative cash flows in relation to our investing activities and financing activities in the last five Fiscal Years. Any negative cash flows in the future would adversely affect our results of operations and financial condition.***

We had a negative cash flow from investing activities of ₹2,057.49 million, ₹517.18 million, ₹1,099.61 million, ₹422.32 million and ₹272.50 million on a consolidated basis, for the Fiscal Years 2017, 2016, 2015, 2014 and 2013. Further, we had a negative cash flow from financing activities of ₹772.56 million and ₹637.07 million, on a consolidated basis, for Fiscal Years 2013 and 2016, respectively. If we experience any negative cash flows in the future, this could adversely affect our results of operations and financial condition. For further details, see "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 287 and 439, respectively.

34. ***In the event our contingent liabilities materialize, our financial condition may be adversely affected.***

As of March 31, 2015, March 31, 2016 and March 31, 2017, our aggregate contingent liabilities (on a consolidated basis) amount to ₹823.91 million, ₹674.61 million and ₹1,262,38 million, respectively. In the event that any of these contingent liabilities materialize, our results of operation and financial condition may be adversely affected.

The details of our contingent liabilities as of March 31, 2015, March 31, 2016 and March 31, 2017 are as follows.

(*in* ₹ *million*)

Particulars	For Fiscal Year 2017	For Fiscal Year 2016	For Fiscal Year 2015
Bank guarantees issued by the bank	1,028.34	617.46	786.32
Others for which the Company is contingently liable	41.39	2.70	1.25
Claims against the Company not acknowledged as debts	192.65	54.45	36.34
Total	**1,262.38**	**674.61**	**823.91**

See also "*Financial Statements – Annexure XXX – Note 2*" and "*Financial Statements – Annexure XXXII – Note 2*" on pages 331 and 395, respectively.

In the event that any of the above contingent liabilities fructify, it could adversely affect our financial condition.

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

In relation to the financing agreements entered into by us, the interest rate for certain loan amounts availed by us, aggregating to ₹4,310.72 million as of May 31, 2017, is expressed as the base rate of a specified lender and interest spread per annum, which is variable. Further, most of our financing agreements include provisions providing for interest rates to be periodically reset, or changed based on the lender's internal policies. In relation to our term loan facility from NAB in Australia our rate of interest payable is denominated as a floating rate, of which we hedge at least 75% of the floating rate risk, as per the terms of the loan agreement. We are susceptible to fluctuations in interest rates and associated risks. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition. See "*Financial Indebtedness*" on page 464 for a description of interest typically payable under our financing agreements.

36. ***Our Promoters and one of our Directors have provided personal guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations, which may impact the ability of our Promoters and Director to effectively render their duties and thereby, adversely impact our business and operations.***

Ravindra Kishore Sinha and Rituraj Kishore Sinha, our Promoters and Rita Kishore Sinha, one of our Directors and member of the Promoter Group, have personally guaranteed the repayment of certain loan facilities availed by our Company. As on May 31, 2017, outstanding amounts from credit facilities personally guaranteed by Ravindra Kishore Sinha and Rita Kishore Sinha amounted to ₹ 417.84 million, which constituted 4.55% of our outstanding indebtedness as on such date. See "*Financial Indebtedness*" on page 464.

Any default or failure by us to repay our loans in a timely manner, or at all, could trigger repayment obligations on the part of Ravindra Kishore Sinha, Rituraj Kishore Sinha and Rita Kishore Sinha in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoters and Director of our Company, thereby having an adverse effect on our business, results of operation and financial condition. In the event these individuals withdraw or terminate their guarantees, our lenders may require alternate guarantees, repayments of amounts outstanding or even terminate the loan facilities. We may not be successful in providing alternate guarantees satisfactory to the lenders, and as a result may be required to repay outstanding amounts or seek additional sources of capital, which could affect our financial condition and cash flows.

37. ***Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations and financial condition.***

Legal proceedings or other actions may be initiated against us or any of our employees for acts and conduct of our employees, which occur at our customer's premises. In the event of personal injuries, damage or other accidents suffered by our employees or our customers or other people, we could face claims alleging that we were negligent, provided inadequate training or supervision or be otherwise liable for the injuries. Our principal types of insurance coverage include motor vehicle insurance, cash in transit insurance, fire, burglary and special perils insurance, professional indemnity, directors and officers liability, group mediclaim and personal accident policy, workmen's compensation policy and fidelity policy. Our Company's insurance cover as on the date of this Prospectus is approximately ₹1,787.69 million in respect of its net block of tangible fixed assets, whose book value as of March 31, 2017 and March 31, 2016 was ₹846.12 million and ₹659.88 million, respectively. Consequently our Company's insurance cover (as of the date of this Prospectus) as a percentage of its net block of tangible fixed assets as of March 31, 2017 and March 31, 2016, was approximately 211.28% and 266.27%, respectively.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further details on our insurance arrangements, see "*Our Business – Insurance*" on page 201.

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

Our primary operations are in India, most of our revenues and expenses in India are denominated in the India Rupee, and we report our results of operations in the Indian Rupee. However, our Australian subsidiaries report their financial results in the Australian Dollar, which is then translated to Rupees for purposes of consolidation. Hence, the carrying value of our Australian assets on our consolidated balance sheet, as well as the value of our revenue and expenses from our Australian operations on our consolidated profit and loss statement, depends significantly on the AUD-to-Rupee exchange rate. A depreciation of the Australian Dollar against the Rupee would have a negative impact on our results of operations, as the profit that we make from our Australian operations would be lower in Rupee terms**.**

39. ***Our ability to invest in our overseas subsidiary, or acquire new businesses overseas, may be constrained by Indian and foreign laws, which could adversely affect our growth strategy and business prospects.***

We currently have subsidiaries incorporated in Australia. Under Indian foreign investment laws, an Indian company is permitted to invest in, or provide financial commitment to overseas joint ventures or wholly owned subsidiaries, not exceeding 400.00% of the Indian company's net worth as at the date of its last audited balance sheet (subject to certain exceptions), and any financial commitment exceeding USD 1.00 billion (or its equivalent) in a Fiscal Year will require prior approval of the RBI. This limitation also applies to any other form of financial commitment by the Indian company, including in terms of any loan, guarantee or counter guarantee issued by such Indian company. Further, there may be limitations stipulated in the host country for foreign investment.

Additionally, the RBI has, by a circular dated December 29, 2014 on overseas direct investments, indicated that it is currently examining matters relating to the set up and acquisition of multi-layered structures of overseas investments by Indian parties. A decision from the RBI in this regard is currently pending. Given that our holding of our operating Australian subsidiaries is structured in multiple layers (through intermediate companies incorporated in the British Virgin Islands, Malta and Australia), any adverse decision by the RBI in relation to multi-layered overseas investment structures may require us to re-examine or restructuring our holdings, and may adversely affect our cash-flows, dividend income, results of operation and financial condition.

Investment or financial commitment not complying with the stipulated requirements is permitted with prior approval of the RBI. Additionally, there are also further requirements specified under the Companies Act and Indian foreign exchange laws in relation to any acquisition that we propose to undertake in the future. These limitations on overseas direct investment could constrain our ability to acquire overseas entities as well as to provide other forms of financial assistance or support to such entities, which may adversely affect our growth strategy and business prospects.

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

Our name and trademarks are significant to our business and operations. We believe that several of our trade names have significant brand recognition in their respective sectors. The use of our brand name or logo by third parties could adversely affect our reputation, which could in turn adversely affect our financial performance and the market price of the Equity Shares. Further, our trademark "SIS – Total Security Solution Provider" is not duly registered under the applicable class in India and we have made four applications dated September 6, 2016 for registration of this trademark under the applicable class. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition. We may not be able to prevent infringement of such trademarks and a passing off action may not provide sufficient protection until such time the applicable registrations are granted. In addition, our Company has licensed trademarks to our Subsidiaries, Joint Ventures and other entities controlled by our Promoters for use by them in carrying on their business activities. Any adverse conditions suffered by these entities may adversely affect the value of, and goodwill associated with, the trademarks licensed to them. For details on the copyrights and trademarks used by us, please see "*Government and Other Approvals*" on page 490.

We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. Any of the foregoing could have an adverse effect on our business, results of operations and financial condition.

41. ***Our customers may delay or default in making payments for services rendered by us which could affect our profits, cash flows and liquidity.***

Cash collection trends and trade receivables have an impact on our cash receipts and, consequently, on our cash flows. Trade receivables constitute a significant portion of our total assets, and were ₹4,617.42 million, ₹2,876.94 million and ₹3,118.98 million or 22.54%, 19.72% and 21.48% of our total assets for Fiscal Years 2017, 2016 and 2015, respectively Our trade receivables outstanding for over six months were ₹487.89 million, ₹ 283.86 million, and ₹341.55 million or 10.57%, 9.87%, and 10.95% and 8.85% of our total trade receivables, Fiscal Years 2017, 2016 and 2015, respectively, consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. An increase in bad debts or defaulting customers may lead to greater usage of our operating working capital and increased interest costs. Successful control of the trade receivables process requires development of appropriate contracting, invoicing, credit, collection and financing policies. Our failure to maintain such policies could have an adverse effect on our business, financial condition and cash flows.

42. ***We are dependent on a number of key personnel, including our senior management, and the loss of, or our inability to attract or retain, such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts and abilities of our senior management, other key personnel and the performance and productivity of our operational managers and field personnel. We believe that the inputs and experience of our senior management, in particular, the expertise, experience and services of Ravindra Kishore Sinha, our Promoter and Chairman and other key managerial personnel are valuable for the development of business and operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see "*Our Management*" on page 251. There is no assurance, however, that these individuals or any other member of our senior management team will not leave us or join a competitor. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business and our results of operations.

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

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

We have entered into various transactions with related parties, including for rent paid, administrative expenses, other direct operating costs, rendering of services, payment of salaries and wages of key managerial persons, loans and advances made, optionally convertible debentures issued and for lease of certain properties. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Although going forward, all related party transactions that we may enter into, will be subject to board or shareholder approval, as necessary under the Companies Act, 2013 and the SEBI Listing Regulations, there can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Such related party transactions may potentially involve conflicts of interest. For details on our related party transactions, see "*Related Party Transactions*" included as Note 19 of Annexure XXXII of our Restated Consolidated Financial Statements in "*Financial Information*"on page 412. Additionally, upon the Demerger Scheme coming into effect, we may enter into further related party transactions with SIS Asset Management, the company in which the Demerging Businesses are proposed to be transferred and vested.

We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, financial condition and cash flows.

44. ***The audit reports on our Company's restated financial statements contains a matter of emphasis.***

The audit report on our Company's restated consolidated financial statements for the last five Fiscal Years contains the following matter of emphasis:

"Without qualifying our opinion, we draw attention to "Note 10 in Annexure IVA - "Note on material adjustments" in respect of a change in treatment of gratuity and leave benefits."

Further, the audit report on our Company's restated standalone financial statements for the last five Fiscal Years contains the following matter of emphasis:

"Without qualifying our opinion, we draw attention to "Note 7 in Annexure IVA - "Note on material adjustments" in respect of a change in treatment of gratuity and leave benefits."

For details, see "*Note 10 of Annexure IVA of the Restated Consolidated Financial Statements"* and "*Note 7 of Annexure IVA of the Restated Standalone Financial Statements*" on pages 355 and 296, respectively. See the reports on our restated standalone financial statements and the restated consolidated financial statements in "*Financial Statements*" on page 287.

Additionally, our Auditors have also made certain observations in terms of the Companies (Audit Report Order) 2003, Companies (Audit Report Order) 2015 and the Companies (Audit Report Order) 2016 in Fiscal Years 2013, 2014, 2015, 2016 and 2017. See "*Summary Financial Information – Observations made by our Auditors*" on page 82.

There is no assurance that our audit reports for any future fiscal periods will not contain qualifications, matters of emphasis or other observations which affect our results of operations in such future periods. For further details, see "*Summary Financial Information*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 71, 287 and 439, respectively.

45. ***Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future. For details of dividend paid by our Company in the past, see "*Dividend Policy*" on page 286.

46. ***We have commissioned reports, from Frost & Sullivan and Freedonia, respectively, which have been used for industry related data in this Prospectus and such data have not been independently verified by us.***

We have commissioned Frost & Sullivan and Freedonia to produce reports on the security service industry in India and the Asia Pacific region, respectively. Frost & Sullivan has provided us with a report titled "Assessment of Security Services and Facilities Management Markets in India", dated September 16, 2016 and updated by a report titled "2017 Update of Security Services and FM Market" dated July 6, 2017 and Freedonia has provided us with a report titled "Australia Security Services", dated September 6, 2016, and updated by a report titled "Australian Security Services – Updated Guidance" dated July 6, 2017, both of which have been used for industry related data that has been disclosed in this Prospectus. The reports use certain methodologies for market sizing and forecasting. We have not independently verified such data and therefore, while we believe them to be true, we can make no assurance that they are complete or reliable. Accordingly, investors should read the industry related disclosure in this Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. Please see "*Industry Overview*" and "*Certain Conventions, Use Of Financial Information And Market Data And Currency Of Presentation – Market and Industry Data*" on pages 149 and 15, respectively.

47. ***Our Promoters and Promoter Group will continue to retain control over our Company after completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

Our Promoters and Promoter Group currently own 82.31% of our Equity Shares. Following the completion of the Offer, our Promoters and Promoter Group will continue to hold approximately 75.51% 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, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum 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 and Promoter Group 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.

48. ***Certain of our Promoters, Directors and key managerial personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Certain of our Promoters, Directors and key managerial personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain

Directors and Promoters and key managerial personnel may be deemed to be interested to the extent of Equity Shares held by them and by members of our Promoter Group, as well as to the extent of any dividends, employee stock options, bonuses or other distributions on such Equity Shares. There can be no assurance that our Promoters, Directors and our key management personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see "*Capital Structure*", "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 100, 270 and 251, respectively.

49. *Our Company has issued Equity Shares during the preceding 12 months at a price that may be below the Offer Price.*

Our Company has, in the last 12 months prior to filing this Prospectus, issued Equity Shares to our employees by way of allotments pursuant to exercise of stock options held under ESOP 2008, one of Directors through a preferential allotment at a price which may be below the Offer Price. Further, our Company has also issued Equity Shares through a bonus issue in the last 12 months. For further details, please see "*Capital Structure – Notes to Capital Structure*" on page 100 of this Prospectus. The price at which our Company has issued the Equity Shares in the preceding one year is not indicative of the price at which they will be issued or traded.

50. *Our registered and corporate offices are not registered in our name and are located on leased premises. There can be no assurance that these lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.*

Some of our offices, including our registered office and corporate office, are located on leased premises, and we do not own these premises. Our registered office is situated on premises leased from Rita Kishore Sinha for a period of five years ending March 31, 2018 (with an option for renewal for a further period on mutually agreeable terms). Our corporate office is owned by Sunrays and Vardan, which are indirect Subsidiaries of our Company and is leased to us for a period of two years ending August 31, 2017 (with an option for renewal for a further period on mutually agreeable terms). In the event such leases are not renewed or are terminated, it could adversely affect our operation unless we arrange for similar premises. If we are unable to continue or renew such leases on same or similar terms, or find alternate premises on lease on similar terms or at all, it may affect our business operations.

Additionally, through the Demerger Scheme, the investment of SMC, our Subsidiary, in Sunrays and Vardan, who own our corporate office is proposed to be demerged and vest with SIS Asset Management (formerly known as Tech SIS Access Management Private Limited). There can be no assurances that we may be able to establish leasehold rights with SIS Asset Management to continue operating from these premises on terms as favourable as those currently enjoyed by us, or at all. See also "*Risk Factors - Our Board of Directors has recently approved a scheme of rearrangement to de-merge and transfer certain businesses ("Demerging Businesses") to a member of our Promoter Group, which is subject to the approval of the shareholders of our Company, creditors, lenders and other statutory, regulatory and court approvals and consents required pursuant to contractual obligations. In case we are unable to obtain any of these approvals and consents, or if we are unable to achieve the expected benefits of the proposed demerger, our business, financial condition and results of operations could be adversely affected.*" on page 28.

51. *Our Company will not receive any proceeds from the Offer for Sale portion and objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.*

The Offer includes an offer for sale of up to 5,120,619 Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to Selling Shareholders and we will not receive any such proceeds. Our Company intends to primarily use the Net Proceeds of the Fresh Issue for repayment and prepayment of certain outstanding indebtedness, meeting working capital requirements and general corporate purposes, as described in "*Objects of the Offer - Objects of the Fresh Issue*" on page 131.

The plans are based on management estimates and such intended use of proceeds has not been appraised by any bank or financial institution. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Any variation in the Objects of the Fresh Issue would require shareholders' approval and may involve considerable time or may not be forthcoming and in such an eventuality it may adversely affect our operations or business.

Further, our Promoter or controlling shareholders would be required to provide an exit opportunity to the shareholders who dissent with our proposal to change the objects of the Offer, at a price and in the manner as specified in the Sections 13(8) and 27 of the Companies Act, 2013 and Chapter VI-A of the SEBI ICDR Regulations. Additionally, the requirement on Promoter or controlling shareholders to provide an exit opportunity to such dissenting shareholders may discourage the Promoter or our controlling shareholders from undertaking steps for the variation of the proposed utilisation of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoter or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity to the dissenting shareholders at the price specified in the SEBI ICDR Regulations.

In light of these factors, we may not be able to undertake any variation in Objects of the Fresh Issue to use any unutilized proceeds of the Fresh Issue even if such variation is in our interest. This may restrict our ability to respond to any developments in our business or financial condition by re-deploying the unutilised portion of our Net Proceeds, if any, which may adversely affect our business and results of operations. Additionally, various risks and uncertainties, including those set forth in this section "Risk Factors", may limit or delay our Company's efforts to use the Net Proceeds to achieve profitable growth in its business.

52. ***The objects of the Fresh Issue include repayment of outstanding loans including loans extended by holding companies of some of our GCBRLMs and BRLMs.***

We intend to repay certain working capital facilities availed from Axis Bank Limited, ICICI Bank Limited, Kotak Mahindra Bank Limited and IDBI Bank Limited (collectively, "**Identified Lenders**"), which are holding companies of Axis Capital Limited, ICICI Securities Limited, Kotak Mahindra Capital Company Limited (GCBRLMs to the Offer) and IDBI Capital Markets & Securities Limited (BRLM to the Offer) (collectively, "**Lender Related Managers**"). As part of their normal lending activities in ordinary course, the Identified Lenders have extended cash credit facilities and working capital demand loans to our Company, which are proposed to be repaid/ pre-paid in part from the Net Proceeds. The aggregate outstanding amount of cash credit and other working capital facilities from Identified Lenders on a standalone basis was ₹1,048.42 million on May 31, 2017. As a result, there is a conflict of interest as a result of us repaying the loans availed from Identified Lenders from the Net Proceeds. For details, see *"Objects of the Offer - Repayment of a certain portion of cash-credit facilities availed by our Company"* on page 134.

53. ***Some of our corporate records are not traceable.***

Certain corporate records and regulatory filings made by us, including those in relation to: (i) certain share transfer forms/ transfer deeds, in relation transactions entered by our Promoters; (ii) a board resolution calling for second instalment in relation to a share allotment; (iii) resolutions and filings made in relation to change in the main objects of our MoA in the past; and (iv) forms required to be filed for recording the special resolution authorizing conversion of our Company from a private limited to a public limited company, are not traceable. Additionally, we and our Promoters have been unable to trace a significant number of share-transfer forms pertaining to transfer of Equity Shares by and to our Promoters since our incorporation till 2013.

Despite having conducted an extensive search of our records, and a search in the records of the RoC for some of the relevant records, which was conducted by an independent advocate engaged by us, we have not been able to retrieve the aforementioned documents. Accordingly, we have relied on other documents, including our statutory registers of members and share transfer, annual reports and audited financial statements, certified copies of our Company's MoA and our revised certificate of incorporation (upon change of our Company from a private limited to a public limited company) for such matters. We cannot assure you that the abovementioned form filings and resolutions will be available in the future.

54. ***The GCBRLMs and the BRLMs have relied on declarations and affidavits furnished by some of our Directors and other individuals for details of their profiles included in this Prospectus.***

Some of our Directors, namely, Ravindra Kishore Sinha (Promoter and Chairman), Rita Kishore Sinha (Director) and Amrendra Prasad Verma, Dr. Ajoy Kumar, Devdas Apte and T.C.A. Ranganathan (Independent Directors) have been unable to trace copies of documents pertaining to their educational qualifications and prior professional experience. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by these Directors to the GCBRLMs and the BRLMs to disclose details of their educational qualifications and professional experience in this Prospectus. Accordingly, the GCBRLMs and the BRLMs have been unable to independently verify these details prior to inclusion in this Prospectus. Further, there can be no assurances that our Directors will be able to trace the relevant documents pertaining to their qualifications and prior experience in future, or at all.

55. ***Some of our Subsidiaries and Group Companies have incurred losses during recent fiscal periods.***

Some of our Subsidiaries and Group Companies have incurred losses in the recent Fiscal Years. Provided below are details of losses suffered by our Subsidiaries and Group Companies in Fiscal Years 2017, 2016 and 2015:

Name of Subsidiary/Group Company	**Fiscal Year 2017** (₹ million)	**Fiscal Year 2016** (₹ million)	**Fiscal Year 2015** (₹ million)
Indian Subsidiaries			
SIS Terminix	(41.84)	(39.58)	(42.59)
Tech SIS	5.76	(16.72)	(1.12)
SIS Business Support	(0.01)	NA	NA
SISCO Security	(0.01)	NA	NA
Lotus	(1.60)	NA	NA
Foreign Subsidiaries (in AUD)			
Charter Security Protective Services Pty Ltd	(162,000)	NA	NA
SIS Group International	NA	(13,000)	NA
Group Companies			
SIS Cash	(64.70)	(126.56)	(51.60)
SIS Prosegur	(41.97)	(78.94)	(32.18)
Saksham Bharat Skills	NA	(1.03)	(0.77)
SIS Alarms	(53.59)	(14.39)	-
SIS Group Enterprises	NA	(0.35)	0.02
Security Skills Council	NA	3.93	(7.08)
Superb Intelligence	NA	(0.01)	(0.01)
Ritu Raj Resorts	NA	(0.01)	(3.76)
Mrityunjay Educational	NA	(0.01)	(0.01)
Maha Manav	NA	(1.13)	(1.16)
SIS Prosegur Cash Logistics	(0.01)	(0.04)	
SIS Asset Management	NA	(0.04)	(0.01)

We cannot assure you that our Subsidiaries and Group Companies will not make losses in future.

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

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain funding on competitive terms and refinance existing indebtedness. For instance, pursuant to press note no. 5 of 2016 dated

June 24, 2016, issued by the DIPP, a private security agency is permitted to have FDI up to 49% under the automatic route and beyond 49% and up to 74% under the government route ("**Press Note 5**"). However, this is subject to compliance with PSARA which mandates that, the majority shareholder of any private security company is required to be a citizen of India. Accordingly, there exists some ambiguity on how a foreign investor can own in excess of 50% of a private security company's equity capital and comply with PSARA regulations on majority shareholding at the same point of time.

Further, while Press Note 5 was issued in June 2016, corresponding amendments in the permissible FDI limits for private security companies have not been made in Schedule I of the FEMA Security Regulations (which set forth terms, conditions, limits and routes of foreign investment applicable to Indian companies) till date. In particular, while the FEMA Security Regulations were amended in December 2016 to conform to the revised limits for most other sectors under Press Note 5, amendments to FDI limits for private security companies under Press Note 5 have not been enacted. In the absence of a formal amendment to the FEMA Security Regulations, our Company does not propose to raise any foreign capital in the Offer through the FDI route. Accordingly, participation by Non-Residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Security Regulations, as the case may be, in the Offer, subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company; and (ii) Eligible NRIs under Schedule 4 of the FEMA Security Regulations. See "*Offer Procedure*" on page 542.

In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

External Risk Factors

Risks Related to India and Australia

57. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

We currently operate in India and Australia. We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economies in which we operate. There have been periods of slowdown in the economic growth of India and Australia. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian or Australian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India and Australia could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. We are also required to spend 2.00% of our average net profits during three immediately preceding Fiscal Years towards corporate social responsibility activities. Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

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

Our business is subject to a significant number of state tax regimes and changes in legislation governing the rules implementing them or the regulator enforcing them in any one of those jurisdictions could adversely affect our results of operations. The applicable categories of taxes and tax rates also vary significantly from state to state, which may be amended from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see "*Outstanding Litigation and Material Developments*" on page 467. Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government or State Governments that affect our industry include income tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and complex and subject to change from time to time and any adverse changes in any of the taxes levied by the Government or State Governments could adversely affect our competitive position and profitability.

The Government of India has implemented a comprehensive national goods and services tax ("**GST**") regime that combines taxes and levies by the Central and State Governments into a unified rate structure on July 1, 2017. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

Further, the General Anti Avoidance Rules ("**GAAR**") is effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

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

60. ***Investors may not be able to enforce a judgment of a foreign court against our Company.***

Our Company is incorporated under the laws of India. Our Company's assets are primarily located in India and all of our Company's Directors and Key Management Personnel are residents of India. As a result, it may not be possible for investors to affect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

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

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

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("**STT**") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

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

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

Risks Related to the Offer

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

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

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

The Offer Price of the Equity Shares will be determined by our Company and the Investor Selling Shareholders in consultation with the BRLMs, and through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 142 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

66. ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our Promoters or Promoter Group may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

After the completion of the Offer, our Promoters and Promoter Group will own, directly and indirectly, approximately 75.51% of our outstanding Equity Shares. Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "*Capital Structure*" on page 100, no assurance may be given that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

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

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

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

Prominent Notes

- Initial public offering of 9,565,404* Equity Shares for cash at a price of ₹ 815 per Equity Share (including a share premium of ₹ 805 per Equity Share) aggregating to ₹ 7,795.80 million*, comprising of a Fresh Issue of 4,444,785* Equity Shares aggregating to ₹ 3,622.50 million* by our Company and an Offer for Sale of 5,120,619 Equity Shares* aggregating to ₹ 4,173.30 million* by the Selling Shareholders. The Offer constitutes 13.07%* of the post-Offer paid-up capital of our Company.

  **Subject to finalisation of the Basis of Allotment.*

- As at March 31, 2017, the net worth of our Company was ₹ 1,713.37 million and ₹ 5,430.93 million, on a standalone and consolidated basis, respectively, as per our Restated Financial Statements.

- As of March 31, 2017, our net asset value per Equity Share was ₹ 24.94 and ₹ 79.05, on a standalone and consolidated basis, respectively, as per our Restated Financial Statements.

- The average cost of acquisition per Equity Share by our Promoters, calculated by taking the average of the amounts paid by our Promoters to acquire Equity Shares, is as given below.

Name of Promoter	**Average cost of acquisition per Equity Share* (₹)**
Ravindra Kishore Sinha	0.27
Rituraj Kishore Sinha	0.04

On account of unavailability of transfer deeds, or other documents evidencing the price at which transfers of equity shares to and by our Promoters (except for a gift deed between Rituraj Kishore Sinha and Pallavi Khanna) were made ("Relevant Transfers**"), the cost of acquisition of Equity Shares by our Promoters has been calculated without taking the Relevant Transfers into account. Accordingly, the average cost of acquisition by the Promoters is calculated by only considering direct allotments by our Company, split on directly allotted equity shares of our Company, bonus issues and transfer of 105,400 Equity Shares from Pallavi Khanna to Rituraj Kishore Sinha. See "Risk Factors – Some of our corporate records are not traceable"on page 51. For details of the Relevant Transfers, see "Capital Structure – History of Build-up, Promoters' Contribution and Lock-in of Promoters' Shareholding" on page 108.*

For further details in relation to the shareholding of our Promoters, see "*Capital Structure – Shareholding of our Promoters and the members of our Promoter Group*" on page 112.

- There are no financing arrangements pursuant to which our Promoter Group, Directors, and/ or their immediate relatives have financed the purchase of Equity Shares by any other person other than in the ordinary course of business during the six months preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus.

- There has been no change in the name of our Company in the last three years.

- Details of transactions entered into by our Company with our Subsidiaries and Group Companies in Fiscal Year 2017, and the cumulative amounts involved in these transactions is as provided below:

(*in ₹ million*)

Particulars	**Fiscal 2017**
Purchase of fixed assets	97.42

Particulars	Fiscal 2017
Sub-contracting service charge received	157.75
Service charges paid	189.96
Service charges received	30.79
Investments made during the year	1,273.03
Dividend income received	2.53
Rent paid	12.84
Interest paid on bonds or debentures	30.41
Rupee deonomiated bonds issued	750.00
Reimbursement of expenses – rent received	0.48
Service charges/ other income received	32.09
Sale of investments	7.04

For further details, see "*Financial Statements*" on page 287.

- Except as stated in "*Our Group Companies*" and described in "*Related Party Transactions*" on pages 274 and 285, respectively, none of our Group Companies have any business or other interests in our Company.

- Investors may contact any of the GCBRLMs and the BRLMs for any complaints pertaining to this Offer.

- All grievances in relation to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

I. OVERVIEW OF THE INDIAN ECONOMY

The Indian economy has been on a steady expansionary path for the last few years, with the country's gross domestic product ("**GDP**") growing at 7.60% in Fiscal Year 2016, up from 5.60 % in Fiscal Year 2013. India is expected to remain the fastest growing major economy and become the fifth largest economy in the world by Fiscal Year 2020.

Labor Force in India

Going forward, the Indian labour force is expected to increase by 24.5 million in the '15 years and above' age group, to 502.4 million by the end of Fiscal Year 2017 according to the 12th Five Year Plan of the Planning Commission of India. Demographic trends also highlight India's relatively young labour force.

Minimum Wage Growth Rate in India

Government stipulated minimum wages have grown at a CAGR of 11.92% during the period between Fiscal Year 2007 to Fiscal Year 2016. On annual basis, the hike in wages in Fiscal Year 2016 at 4.70% was the lowest in the last 10 years.

Key Regulatory Developents

- **GST**: The advent of GST in India is expected to bring in transparency through amplifying tax base, as clients are expected to use formal banking channels to pay for their manpower requirements as opposed to the current payment practices done through cash payments to unorganized players.

- **Finance Act, 2016:** The Finance Act, 2016 has introduced section 80JJAA to the Income Tax Act, 1961, to improve employment opportunities in India and is estimated to favorably impact the manned guarding services market in India**.**

- **Labour law policies:** The Government changed the categorization of security guards from "unskilled" to "skilled" workers and armed security guards and supervisors as "highly skilled" workers (applicable to all central government contracts and also any other sectors or companies that follow central minimum wage guidelines). This will entitle such guards to minimum monthly wages of ₹15,000 and ₹25,000, respectively.

II. SECURITY SERVICES INDUSTRY IN INDIA

Market Size and Historical Growth

The security services market in India is witnessing high growth due to an improved economic environment, increasing concerns about crime, terrorism, inadequate public safety measures and urbanisation. Due to urbanization, there is greater emphasis on building sustainable infrastructure and incorporating efficient mechanisms for service delivery to citizens. Safety and security has played and will continue to play a key role in urban design and planning.

Industry Operations

Leading market participants in security services have a presence across India while simultaneously providing services at local levels. The security services industry usually works on a credit period of 60 to 90 days from date of completion of services. Many of the smaller operators pay wages only when they receive payments from the customers while most of the larger national players pay wages on a monthly basis. All of these reasons make the security services industry a working capital intensive business.

The primary costs for companies include manpower-related expenses including salaries, Employees' Provident Fund ("**PF**") and insurance. A more stringent enforcement of labour laws and the increasing cost of compliance will put pressure on the unorganized service providers and work in favor of organized companies.

End User Segments

Increased maturity of end users has however resulted in significant market penetration of security services. The primary end-user segments for security services are the IT and ITES sectors, industrial, banking, financial services and insurance sectors. Together, these segments constitute approximately 80.00% of the total business of organized companies.

Sensitive infrastructure assets such as airports and metro stations are increasingly employing private security guards at their premises. Retail and residential sectors (apartment complexes, high-rise residential units, communities, among others) are also important end-user segments for the security services market. The commercial sector is expected to continue driving the growth for the security services market.

Competitive Landscape

The security services market is highly fragmented and consistent growth in demand has led to the entry and expansion of competition. National operators currently represent about 20.00% of the market revenues and other regional and local operators constitute the remaining 80.00%. National operators are expected to increase their share of the security services market in India between Fiscal Years 2015 to 2020, from 20.00% to 60.00%.

Several factors favor organized participants, including, compliance assurance, quality assurance, national network, experience in specific segments; and financial strength.

Key Demand Drivers

Key demand drivers are increasing economic activity and GDP growth leading to need for improved security, growth in wages, increased threat from anti-social elements and terrorist outfits, societal perception on threats and awareness on security, asset creation –real estate and infrastructure growth, and premiumization and hybrid solutions.

Industry Growth Forecast

The security services market in India is likely to grow at the rate of 20.00% between Fiscal Years 2015 and 2020 and achieve market revenues around ₹9,704,000 million by Fiscal Year 2020.

III. SECURITY SERVICES INDUSTRY IN AUSTRALIA

The Australian security services market grew to USD 1,895 million for Fiscal Year 2015 from USD 1,425 million for Fiscal Year 2010 and is forecasted to grow to USD 2,465 million by Fiscal Year 2020. The largest consumer segments for security services in Australia were: commercial and industrial, government and industrial, aviation. MSS and Wilson Security are the leading providers of security services in the Australian market. A mandatory increase in the minimum wage, which averaged 2.90% per year, was the most significant driver of revenue growth for security services. The health of the overall economy is a significant driver of demand for security services according to security service providers.

IV. CASH LOGISTICS INDUSTRY IN INDIA

Market Size and Historical Growth

On a daily basis, private cash logistics companies carry approximately ₹150,000.00 million in more than 8,000 cash vans. The growing banking inclusion initiative, growing banking infrastructure and increasing ATM installations in the country are major drivers for the market, which, for Fiscal Year 2015, is valued at ₹29,000.00 million growing at the rate of more than 19.30% from Fiscal Year 2010.

Industry Operations

Cash logistics services comprise of three functions: ATM replenishment, cash-in-transit ("**CIT**") and cash pickup and delivery ("**CPD**") and cash vaulting services. Currently, ATM replenishment is the largest segment of the cash logistics services market. Revenue gained from ATM replenishment is usually dependent on the number of ATMs services on a monthly basis. ATM replenishment services market in India is estimated to grow at a rapid pace, owing to efforts aimed at bridging the demand-supply gap prevailing in ATM usage in India.

Key Demand Drivers in India

Key demand drivers for the cash logistics business are: Increase in number of ATMs and ATM transactions, growth in debit card transactions at a CAGR of 36.50% over the past five Fiscal Years, increasing number of organized retail shops, jewellers, gold loan companies and hospital chains, and positive economic outlook and continued use of cash in the country. According to the RBI, 63.00% of all payments in the country are still in the form of cash.

Pursuant to notifications dated 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 Recent RBI data on digital payments shows that usage of digital payments is back at pre-demonetization levels and consequently the usage of cash in the economy is expected to revert to more or less the pre-demonetization levels.

Industry Growth Forecasts

The cash logistics market in India is estimated to grow at a CAGR of 17.80% between Fiscal Year 2015 and Fiscal Year 2020.

V. ELECTRONIC SECURITY INDUSTRY IN INDIA

Electronic security services involve the installation and commissioning of security systems, products or equipment along with operations and maintenance ("**O&M**") services.

Industry Operations

Electronic security services are provided by large private security companies such as G4S, SIS, and TOPSGRUP who provide both product installation and O&M services. There are several layers in the value chain of this industry, including original equipment manufacturers ("**OEMs**"), distributors, and systems integrators who compete with the private security service companies.

Market Size and Historical Growth

The electronic security services market in India was estimated at ₹24,300.00 million in Fiscal Year 2011 and recorded growth at a CAGR of 25.60%, reaching a value of ₹60,500.00 million in Fiscal Year 2015. Demand is driven by increasing awareness about safety, and investments in public and private establishments.

VI. FACILITY MANAGEMENT INDUSTRY IN INDIA

Industry Operations

Facility management refers to the outsourcing of services such as hard services: including mechanical, electrical and plumbing maintenance, asset management strategies, planned preventive maintenance services, short-term repairs, heating, ventilation and air-conditioning ("**HVAC**") issues, among others; and soft services: including cleaning and housekeeping, pest control, catering, gardening and landscaping, security services, office support, mail room support, guest house or service apartment management, laundry, production support, among others.

For Fiscal Year 2015, hard services accounted for 40.00% of the market share of the overall facility management services market and the remaining 60.00% share is from the soft services market. Cleaning services contribute around 50.00% of the total soft facility management services market.

Market Size and Historical Growth

The total facility management market has grown at a CAGR of 16.00% over the last five Fiscal Years, growing from ₹47,559 million in financial year 2010 to ₹100,000 million in financial year 2015. Dusters Total Solutions Services in the fourth largest facility management services provider in India, in terms of revenues, as of March 31, 2015, according to Frost & Sullivan. Historical revenues for hard facility management services grew from ₹17,610 million for Financial Year 2010 to ₹40,000 million for Financial Year 2015.

End User Segments in India

End-users include offices, hotels, hospitals, malls, residential spaces, the automobile industry, the pharmaceutical industry, electronics, food and infrastructure development. The majority of growth is expected to be driven by growing demand from the commercial sector.

Industry Growth Forecasts – Hard Facility Management

The market for hard facility management services is expected to reach ₹103,714.00 million by Fiscal Year 2020 from ₹40,000.00 million in Fiscal Year 2015 at CAGR of 21.00%.

Industry Operations and End User Segments – Cleaning Services

Driven mainly by the growth of the real estate sector, the cleaning services market accounted for 30.00%, that is, ₹30,000.00 million of the overall facility management services market in India for Fiscal Year 2015. The cleaning services market grew at 19.00% CAGR from ₹12,570.00 million in Fiscal Year 2010 to reach ₹30,000.00 million in Fiscal Year 2015. Commercial establishments such as offices, banks, retail outlets, hotels, healthcare and education, among others, contribute to 50.00% of the market for cleaning services. Increasing awareness and rising demand for healthcare infrastructure are resulting in growing opportunities for cleaning services in India. Recently, many government entities, and industrial companies have offered long-term contracts for cleaning services in India.

Industry Growth Forecast and Competitive Landscape – Cleaning Services

Organized players accounted for 56.00% of the market for Fiscal Year 2015 and are projected to account for 65.00% of the market by Fiscal Year 2020. Lately, there has been a visible change in the awareness of outsourcing of cleaning services among various end users. Market development activities and improvements in service delivery by organized service providers have led to greater acceptance of these services. The market for cleaning services in India is projected to reach ₹81,070.00 million by Fiscal Year 2020 at a CAGR of 22.00%. Customized cleaning solutions are becoming popular in India by meeting the needs of individual end users and new offshoot market catering to residential homes. New growth opportunities for facility management and cleaning service companies include municipal, road and highway cleaning and municipalities are now eyeing public sanitation and hygiene.

Market Size and Historical Growth – Pest and Termite Control

The overall market for outsourced pest control services in India grew to ₹12,000.00 million in Fiscal Year 2015, at a CAGR of 8.50% from Fiscal Year 2010.

End User Segments in India and Competitive Landscape – Pest and Termite Control

Industries such as food and beverages, pharmaceuticals and airports account for 40.00% to 45.00% of the market, while small-medium commercial enterprises ("**SMEs**") such as restaurants, hotels, educational institutions and residential areas account for the remaining 55.00% to 60.00% of the market. The Indian pest control services market is highly fragmented with many small service providers. The entry barrier is much lower and offers wider growth opportunity for unorganized players that operate locally within the city. Organized players account for about 37.00% of the market.

Key Demand Drivers and Industry Growth Forecast – Pest and Termite Control

The demand for pest control services is consistently growing with increasing awareness among end users on health and safety issues followed by disease outbreaks. The overall market for outsourced pest control services in India was ₹12,000 million in Fiscal Year 2015 and is expected to grow to ₹21,140 million by Fiscal Year 2020.

SUMMARY OF BUSINESS

Overview

We are a leading provider of private security and facility management services in India. Our portfolio of services includes:

- ***private security services***, comprising of:

  - *security services*: we are the second largest security services provider in India, in terms of revenue, as of March 31, 2016, and the fastest growing security services provider in India, based on revenues for Fiscal Years 2010 to 2014, according to Frost & Sullivan. In addition, Freedonia ranks our wholly-owned Subsidiary, MSS Security Pty Limited ("**MSS**") as the largest security services provider in Australia, jointly with a competitor, in terms of revenues, as of March 31, 2015. We provide a comprehensive range of security services ranging from providing trained security personnel for general guarding to specialized security roles in India and Australia. In Australia, we also provide paramedic and allied health, fire rescue services, mobile patrol, loss prevention and other related services.

  - *cash logistics services*: we are the second largest cash logistics service provider in India, in terms of market share by revenue, number of employees, ATMs served and cash vans utilized, as of March 31, 2015, according to Frost & Sullivan. Our cash logistics business in India includes services such as cash in transit including transportation of bank notes and other valuables, doorstep banking as well as cash processing, ATM related services including ATM replenishment, first line maintenance and safekeeping, and vault related services for bullion and cash; and

  - *electronic security services and home alarm monitoring and response services:* In India, we provide electronic security services, including integrated and turnkey electronic security and surveillance solutions combining electronic security with trained manpower and have recently entered into a joint venture in order to provide home alarm monitoring and response services;

- ***facility management services***: Our facility management services in India include cleaning, janitorial services, disaster restoration and clean-up of damage, as well as facility operation and management such as deployment of receptionists, lift operators, electricians and plumbers, and also pest and termite control. Effective August 1, 2016, we acquired 78.72% of the outstanding equity shares of Dusters Total Solutions Services Private Limited ("**Dusters**"), with the agreement to increase our shareholding to 100% over the next three years (pursuant to which we have acquired a further 7.20% of the outstanding equity of Dusters on July 31, 2017). Dusters is the fourth largest facility management services provider in India, in terms of revenues, as of March 31, 2016, according to Frost & Sullivan. We have developed our portfolio of services in order to cater to the needs of diverse consumer segments, including, business entities, Government organizations and households, and to leverage the growth and potential of such customer segments in India.

We have entered into strategic relationships in India with several multinational companies. For our cash logistics and alarm monitoring and response businesses, we have entered into joint ventures with affiliates of Prosegur Compañía de Seguridad, S.A ("**Prosegur**"), a global player in cash management and alarm monitoring. We have also entered into a joint venture with an affiliate of Terminix International Company, L.P. ("**Terminix**"), a multi-national provider of termite and pest control services. In addition, we have licensed the 'ServiceMaster Clean' brand, and associated proprietary processes, operating materials and knowhow for our facility management business in India from The ServiceMaster Company, LLC ("**ServiceMaster**") group, a commercial and residential cleaning service provider. Our strategic relationships with reputed industry participants enable us to offer a one-stop-shop for the portfolio of private security and facility management services, benefit from know-how, technology, staff and market reputation of our partners, leverage our existing infrastructure, branch network and customers, and share risk and costs associated with starting new businesses, including by lowering our capital expenditure.

As of April 30, 2017, we have a widespread branch network consisting of 251 branches in 124 cities and towns in India, which cover 630 districts. We employed 148,678 personnel in India and rendered security and facility management services at 11,869 customer premises across India. In Australia, we operate in each of the eight states and employed 5,754 personnel servicing 245 customers, as of April 30, 2017. Our widespread branch network enables us to service a large number of customer premises and render customized services across India and Australia.

We have set up an extensive employee platform which spans recruitment, customized training and development, deployment, incentivization and management of personnel. We have deep geographical reach for manpower sourcing and training and currently operate 18 training academies across India and four training academies across Australia. In India, our security services personnel undergo extensive physical and classroom training. Our personnel recruitment, training and deployment initiatives are process oriented and technology driven with detailed performance indicator tracking, reporting and evaluation of personnel. We benefit from a pipeline of operational managers from the graduate trainee officer program undertaken at our training academy at Garhwa, Jharkhand, which is focused on developing a management cadre with in-depth knowledge of our business and operations. Our security personnel in Australia hold the required state security licenses and undergo both company-specific and site-specific training.

Our Promoters, Ravindra Kishore Sinha and Rituraj Kishore Sinha, have over three decades and one decade of experience, respectively, in operating our business. In addition, we are led by a well-qualified and experienced management team, which we believe has demonstrated its ability to manage and grow our operations organically and also acquire and integrate businesses. Certain key members of our managerial team have also gained relevant experience by working with global leaders in their respective business segments. For further details see "*Our Management*" on page 251. In addition, our Key Management Personnel have, on average, 20 years of experience with us. We have also benefited from the strategic inputs and support of investors such as Thomas Berglund and Hakan Winberg, each of whom have approximately two decades of experience in the security services industry, including over a decade as CEO and CFO, respectively, at Securitas AB, a multinational security services company.

Our total revenue grew at a CAGR of 14.56% to ₹ 45,771.22 million for Fiscal Year 2017 from ₹ 26,577.00 million for Fiscal Year 2013. On a pro forma basis, giving effect to our acquisition of Andwills Pty Ltd. ("**Andwills**") and Dusters for the year ended March 31, 2017, our total revenue would have been ₹51,312.50 million.

Our revenue from operations for Fiscal Year 2017 from our security services, cash logistics, electronic security and facility management businesses (including revenues from pest-control services) were, ₹39,820.15 million, ₹1,651.28 million, ₹69.34 million and ₹3,949.78 million, respectively. Our EBITDA has grown to ₹2,233.78 million for the Fiscal Year 2017 from ₹1,255.15 million for the Fiscal Year 2013. EBITDA is a supplemental measure of our performance and liquidity and is not prepared under or required by Indian GAAP or IND-AS. See "*Summary Financial Information*" on page 71.

Our Strengths

Diverse portfolio of private security and facility management services

Our diverse portfolio of services comprises of security services, cash logistics services and electronic security and home alarm monitoring and response, as well as facility management services. Our security services range from providing trained security personnel for general guarding to specialized security roles in India and Australia. In Australia, we also provide paramedic and allied health, fire rescue services, mobile patrol, loss prevention and other related services. Our cash logistics business includes services such as cash in transit including transportation of bank notes and other valuables, doorstep banking as well as cash processing, ATM related services including ATM replenishment and first line maintenance and safekeeping, and vault related services for bullion and cash. In India, we also provide electronic security services, including offering integrated solutions combining electronic security with trained manpower, and have recently entered into a joint venture to provide our home alarm monitoring and response services. Our facility management services include cleaning, janitorial services, disaster restoration and clean-up of damage, as well as deployment of receptionists, lift operators, electricians and plumbers and pest and termite control services.

We believe that our extensive portfolio of services enables us to grow our customer relationships and scope of engagements and serve as a single point of contact for multiple services, driving high customer retention. Our multiple service offerings allow us to derive operational efficiencies, by centralizing certain key functions such as finance and sales and also certain other administrative functions. Given our operational experience, we believe that we have developed in-house expertise to handle all stages of deployment and management of private security and facility management services and cater to the varying requirements of our customers, which has enabled us to grow our market share and instill our customers with confidence in our ability to address their diverse and dynamic business needs.

Leader in providing security services in India and Australia

We are the second largest security services provider in India, in terms of revenue as of March 31, 2016, and the fastest growing security services provider in India, based on revenues for Fiscal Years 2010 to 2014, according to Frost & Sullivan. Between Fiscal Years 2013 and 2017, our revenue from operations from our security services business in India grew at a CAGR of 29.67%.

Freedonia ranks our wholly-owned Subsidiary, MSS, as the largest security services provider in Australia, jointly with a competitor, in terms of revenues, as of March 31, 2015. We entered this business in Australia by acquiring Chubb Security's security services business in August 2008. Between Fiscal Years 2013 and 2017, our revenue from operations from our security services business in Australia grew at a CAGR of 7.7% in Australian Dollar terms. On June 9, 2017, we signed definitive agreements to increase our voting rights in Southern Cross Protection Pty Ltd ("**SXP**") from 10.0% to 51.0%, with effect from July 1, 2017.

Our long-standing presence in India and Australia has helped us gain an understanding of the respective markets, which we believe has contributed towards the success of our operations. Our brands are well-recognized for providing quality security services in India and Australia and we believe that our strong brand positioning and strategic focus on such business has contributed to sustained increase in our business over the years.

Second largest cash logistics service provider in India

We are the second largest cash logistics service provider in India, as of March 31, 2015, in terms of market share by revenue, number of employees, ATMs served and cash vans utilized, according to Frost & Sullivan. For our cash logistics business, we have entered into a joint venture with an affiliate of Prosegur, a global player in cash management services. We also acquired the cash and valuables services division of ISS SDB Security Services Private Limited ("**ISS**"), in December 2014 and operate it under our 'SISCO' brand. We further increased our market share through the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security, in December 2016. The customers for our cash logistics services range from retailers, restaurants and jewelers to metro stations, banks and toll collection plazas. We have established a nation-wide network in India, comprising 80 branches, including shared branches, 2,748 cash routes, served by 2,518 cash vans as well as two wheeler vehicles and 59 vaults and strong rooms, as of April 30, 2017, and have set up a secure cash processing unit at New Delhi, to service our customers' needs.

Leading position in facility management services in India

In March 2008, we entered into an exclusive license agreement with ServiceMaster for the 'ServiceMaster Clean' brand, and associated proprietary processes, operating materials and knowhow in order to develop our facility management business in India. Effective August 1, 2016, we acquired Dusters, the fourth largest facility management service provider in India, in terms of revenues, as of March 31, 2016, according to Frost & Sullivan. We have also entered into a joint venture with Terminix, a multinational provider of termite and pest control services. We believe that factors such as our diverse range of services, customer base comprising business entities, Government organizations and households and ranging from malls and retail centers, hotels and hospitals to government offices and airports, and strength of the established brands we use, enable us to further strengthen our leading position.

Widespread and integrated branch network in India

As of April 30, 2017, we had 251 branches in 124 cities and towns in India, which cover 630 districts, and rendered security and facility management services at 11,869 customer premises, giving us a nation-wide presence and reducing our dependence on any one particular region. We believe that locating our branches in proximity to our customer premises is a significant factor for success in our business and our widespread branch network results in greater focus on, and attention to our customers as well as higher quality and customized service delivery. At the same time, our nation-wide presence enables us to offer services to customers who prefer a single service provider for their operations at multiple locations.

Simultaneously with the expansion of our branch network, we have made investments in information technology to improve connectivity across our branches and operations and provide for data-based decision-making. We believe knowledge sharing across our branches and business segments enables sales lead generation and development of location specific know-how for particular geographical areas. Further, we believe that through our extensive branch infrastructure, we have developed economies of scale, which allow us to provide efficient and cost-effective solutions to our customers.

Diverse customer base

We provide our private security and facility management services to several customer segments such as business entities, Government organizations and households. These customer segments range across a variety of industries and sectors, which include banking and financial services, IT/ ITeS and telecom, automobile, steel and heavy industries, governmental undertakings, hospitality and real estate, utilities, educational institutions, healthcare, consumer goods, engineering and construction, which reduces our vulnerabilities to economic cycles and dependence on any particular set of customers. We believe our ability to offer customized private security and facility management services to fit the needs of our customers across our various business segments allows us to deepen our relationships with our customers and enables us to target a greater share of their requirements. We believe that we have been able to retain existing customers and attract new customers because of our brand, strong market position and delivery of quality services.

Established systems and processes leading to a scalable business model

We have implemented standardized recruitment, training, deployment, operations and services related quality measurement and business analysis systems and processes that we believe enable us to develop a scalable business model, with quality service delivery. We have standardized the recruitment criteria for our personnel in order to maintain high quality and consistency in the services and experience we provide to our customers. We have put in place a variety of operational systems including a weekly and monthly reporting system tied into our in-house enterprise resource planning ("**ERP**") system, as well as a performance management portal that tracks key performance indicators for individual employees. We collect data through these reporting systems across our various branches which is regularly reviewed in order to assess employee performance levels as well as overall branch performance, creating effectiveness and efficiency in our business operations. We compare employee level key performance indicators such as productivity, attendance and punctuality and hours served against competencies to promote productivity. Further, we use data such as sales revenue, management reports, cash flows and new sales, collected for each branch, to generate a balance scorecard for each branch, which is used to assess the performance of our branches and branch managers.

We have also instituted a 'seven finger model' management tool which focuses on identified drivers to achieve business and operational targets. We focus on four key result drivers, i.e., developing new sales in a consistent and sustainable manner, operational management resulting in quality service delivery, manpower management driving high employee quality and retention and efficient receivables collection minimizing bad debt, in order to develop three key performance measures i.e. sales revenues, total costs and profit margin. In August, 2016 we deployed 'iOps', a mobile security services operations platform which is used to track detailed data analytics, enable workflow automation and generate info-graphic dashboards. In March 2017, we launched SalesMaxx a portable tablet sales kit for enhancing sales productivity and customer relations. We believe that our technology based operational and reporting systems and management processes have helped us in becoming a professionally managed business with a scalable business model.

Experienced management and operational team

Our Promoters, Ravindra Kishore Sinha and Rituraj Kishore Sinha, have over three decades and one decade of experience, respectively, in operating our business. In addition, we are led by a well- qualified and experienced management team, which we believe has demonstrated its ability to manage and grow our operations organically and also acquire and integrate businesses. Certain key members of our managerial team have also gained relevant experience by working with global leaders in their respective business segments. In addition, our Key Management Personnel have, on average, 20 years of experience working with us. We believe that the knowledge and experience of our managers in private security and facility management services provides us with a significant competitive advantage as we seek to grow our business. For further details on our Key Managerial Personnel, please refer to "*Our Management*" on page 251.

Given our extensive presence and operations across India and across our different business segments, we have developed a second line of operational managers with significant managerial experience. Each of our businesses has separate management teams, each led by their respective chief executive officer or president and experienced operational and functional managers who are responsible for the management of the daily operations of these businesses.

In addition, we have access to a pipeline of qualified operational managers from our graduate trainee officer program, which was instituted in 1989, undertaken at our training academy at Garhwa, Jharkhand. Our graduate trainee officer program is focused on developing a management cadre with in-depth knowledge of our business. A majority of our executive and regional vice presidents have been promoted through our graduate trainee officer program which seeks to inculcate strong leadership skills, strengthened association with our brand and extensive knowledge of our business. We believe that our personnel recruitment and training initiatives drive employee loyalty and retention and quality assurance, and ensure that we deliver uniform services to our customers.

Our Strategy

We have developed our private security and facility management services by entering into businesses that require utilization of trained manpower, have limited capital expenditure requirements, are asset-light and in which we are able to leverage our existing infrastructure and expertise. The key elements of our strategy are:

Grow our businesses across customer segments

We believe that we are well placed to capitalize on the expected growth in the private security and facility management services industry due to our early mover advantage and strong brand presence. According to Frost & Sullivan, the Indian economy is expected to become the fifth largest economy by 2020, resulting in growth across end user and customer segments in India and the security services market in India is likely to grow at the rate of 20.00% between Fiscal Years 2015 and 2020. We intend to grow our businesses, leveraging on the growth of private sector business entities due to investments in infrastructure, manufacturing and services, growth in demand of our services from Government organizations and from households due to an increase in the disposable income available with the Indian middle class.

Our customers for our private security and facility management services include private sector business entities operating in industries ranging from manufacturing and defense to mining, IT/ITeS, airports and aviation. We believe that growth in the business of such customers in India, would result in a corresponding growth in demand for our services, due to the increasing scope of their operations resulting in demand for organized and standardized services, and growth in the scale of their operations across geographies in India and Australia, resulting in increase in demand across our nation-wide branch network.

Further, according to Frost & Sullivan, growing banking infrastructure and increasing ATM installations in India, supported by the positive economic scenario across India and growth in the business of banking sector customers, are expected to result in growth of the cash logistics industry at a CAGR of 17.8% between 2015 and 2020. We have established a nation-wide network in India, comprising of 80 branches, including shared branches, 2,748 cash routes served by 2,518 cash vans as well as two wheeler vehicles and 59 vaults and strong rooms, as of April 30, 2017, and we believe we are well positioned to capitalize on such growth.

Our acquisition of Dusters, the fourth largest provider of facility management services in India, in terms of revenues, as of March 31, 2016, according to Frost & Sullivan, has enhanced our capability to serve customers in the facility management business. We intend to focus on integration and growth of our facility management business by leveraging the expertise, presence and portfolio of clients and services of Dusters and the experience and brand of ServiceMaster and Terminix. Further, according to Frost & Sullivan, the total facility management market in India is estimated to grow at a CAGR of 20.30% between Fiscal Years 2016 and 2020 including on account of growth opportunities for rendering facility management services to Governmental organizations. We intend to grow our presence with Government organizations leveraging on Government outsourcing initiatives, public-private partnership ventures requiring such services, particularly in the infrastructure sector, and tenders from large governmental and public sector enterprises including the Indian Railways, research and educational institutes, airlines, airports and metro rails.

In addition, according to Frost & Sullivan, the electronic security market is estimated to grow at a CAGR of 26.60% between Fiscal Years 2016 and 2020. We intend to grow our sales of electronic security and home alarm monitoring and response and facility management services to households and the residential sector, focusing on alarms, consulting, investigation, surveillance and data analytics as well as housekeeping, cleaning and pest control.

Use and upgrade technology to improve productivity and customer satisfaction

We intend to continue to use and upgrade our existing technological systems to strengthen our personnel training, deployment, sales and marketing, operational and management initiatives and derive greater operational efficiencies. We intend to supplement our existing ERP reporting systems with easy to use mobile technology. In August 2016 we deployed 'iOps', which is a mobile security services operations platform and deployed 'SalesMaxx' in March~~,~~ 2017, which is a portable tablet sales kit aimed at enhancing sales productivity and customer relations and reduce the time spent on administrative processes. We are also integrating various operational and financial systems in our businesses to enhance the efficiency of our operations and to ensure that key performance indicators are easily tracked. We anticipate that these initiatives would increase productivity, including through an increase in the number of security and facility management personnel we can deploy and manage from each of our branches, a reduction in cost per personnel deployed, as well as improve service experience for our customers.

We intend to further develop and implement technological and customer oriented initiatives in order to diversify our service offerings and exploit future growth opportunities. In the private security services industry, we anticipate an increasing role for technology led solutions and have developed a blend of physical and technology based services i.e. our 'Man-Tech' solutions. These services combine physical security presence with use of technology like cameras, NFC cards, GPS devices and remote monitoring. We believe that 'Man-Tech' solutions will play an increasingly important role in the provision of private security services. With increased crime rates in cities in India, according to Frost & Sullivan, we believe that Indian customers, including both businesses and households, will look to more comprehensive security offerings, resulting in growth of our home alarms business.

Leverage our existing branch infrastructure to achieve operational synergies

We intend to leverage our existing branch network in India to further grow our cash logistics and facility management services and to deepen our presence by increasing our service offerings at our individual branches. We believe our existing branch infrastructure for our security services business allows us to offer our cash logistics and facility management services at more of our branches, enabling us to rapidly tap market potential, thus increasing revenues, without incurring commensurate costs during the initial set up phase, thus increasing our operational margins. Further, we intend to reduce operating costs by enabling resource sharing and cross-utilization of our sales team and support services such as IT, accounts, tax and legal.

While we render security and facility management services at 11,869 customer premises in India, as of April 30, 2017, we believe that there is significant opportunity to further increase the services offered to our existing customers. We also intend to leverage our existing branches to grow our service offerings to customers who have operations at multiple locations across India. Further, we intend to continue expanding our branch network to drive greater and deeper penetration in the territories and markets in which we operate, including historically underserved regions such as Northeast India, as well as micro-markets in major cities in India, such as New Delhi. We evaluate our branches to optimize existing operations and resources utilized in a territory, carry out feasibility, logistics and manpower planning and accordingly open new branches in territories where our presence is not in line with the existing or potential customer base.

Inorganic growth through strategic acquisitions

While continuing to maintain organic growth momentum, we intend to explore inorganic expansion as well leveraging on the experience we have gained through our previous acquisitions. Frost & Sullivan anticipates competition in the cash logistics industry will become stiff, leading to further consolidation of the market. Leveraging on this consolidation, we intend to evaluate growth opportunities to inorganically grow our cash logistics operations, including by acquisition of cash accretive contracts from our competitors, similar to the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security in December 2016. We will also continue to consider opportunities for inorganic growth in India and the Asia Pacific region, particularly to:

- consolidate our market position in existing business lines;
- achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits;
- strengthen and expand our service portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our branch network, customers and geographical reach.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Statements as of and for the years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017. These financial statements have been prepared in accordance with Indian GAAP, applicable provisions of the Companies Act, 1956, Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations, and are presented in "*Financial Statements*" on page 287.

The summary financial information presented below should be read in conjunction with our Restated Financial Statements, the notes thereto and in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 439.

Restated Standalone Statement of Assets and Liabilities

(Amount in Rupees millions unless otherwise stated)

	Particulars	**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					
(A)	**Shareholders' funds**					
	Share capital	687.03	62.00	61.75	61.75	213.30
	Reserves and surplus	1,026.34	1,217.68	1,156.06	1,052.85	669.17
		1,713.37	**1,279.68**	**1,217.81**	**1,114.60**	**882.47**
(B)	**Share application money pending allotment**	-	-	-	-	-
(C)	**Non - current liabilities**					
	Long-term borrowings	2,729.90	282.88	291.44	326.19	132.42
	Long-term provisions	313.02	243.18	188.23	145.05	108.52
		3,042.93	**526.06**	**479.67**	**471.24**	**240.95**
(D)	**Current liabilities**					
	Short-term borrowings	1,811.04	1,546.85	1,149.24	751.72	674.75
	Trade payables					
	Total outstanding dues of micro and small enterprises	-	-	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises	125.23	70.93	103.53	65.20	50.64
	Other current liabilities	1,978.01	1,255.11	1,181.75	946.30	985.00
	Short-term provisions	359.28	345.86	153.15	188.41	204.88
		4,273.56	**3,218.76**	**2,587.66**	**1,951.63**	**1,915.28**
	Total (A+B+C+D)	**9,029.86**	**5,024.50**	**4,285.14**	**3,537.47**	**3,038.69**
	Assets					
(E)	**Non current assets**					
	Fixed assets					
	Tangible assets	916.02	731.34	571.90	691.41	526.38
	Intangible assets	40.24	9.69	10.07	7.03	5.00
	Capital work-in-progress	3.05	0.00	66.69	66.66	54.45

	Particulars	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
	Non-current investments	1,818.45	552.47	508.92	424.76	392.10
	Deferred tax assets (net)	257.84	201.01	198.02	100.92	77.79
	Long-term loans and advances	183.28	107.61	73.35	80.12	107.87
		3,218.89	**1,602.12**	**1,428.95**	**1,370.90**	**1,163.59**
(F)	**Current assets**					
	Inventories	0.00	-	54.20	48.08	31.14
	Trade receivables	1,496.08	963.91	716.40	512.58	968.13
	Cash and bank balances	1,042.67	218.86	388.42	431.86	308.85
	Short-term loans and advances	695.49	550.69	495.30	190.23	334.38
	Other current assets	2,576.73	1,688.93	1,201.86	983.83	232.60
		5,810.97	**3,422.39**	**2,856.19**	**2,166.58**	**1,875.10**
	Total (E+F)	**9,029.86**	**5,024.51**	**4,285.14**	**3,537.47**	**3,038.69**

Restated Standalone Statement of Profit and Loss

(Amount in Rupees millions unless otherwise stated)

Particulars	**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					
Revenue from operations	**16,147.59**	**12,736.78**	**10,340.57**	**8,069.03**	**5,665.23**
Other income	51.53	136.44	222.30	175.91	161.50
Total revenue (A)	**16,199.12**	**12,873.22**	**10,562.87**	**8,244.94**	**5,826.73**
Expenses					
Employee benefits expense	14,404.32	11,344.05	9,148.47	6,954.57	4,712.25
Depreciation and amortisation expense	236.98	210.31	245.70	110.80	90.49
Finance costs	528.57	206.61	251.43	128.50	146.99
Other expenses	789.54	626.87	613.15	581.47	473.82
Total expenses (B)	**15,959.40**	**12,387.83**	**10,258.75**	**7,775.34**	**5,423.54**
Profit/(loss) before taxation (A-B) (C)	**239.72**	**485.39**	**304.12**	**469.60**	**403.18**
Tax expense/(income)					
Current Tax	50.05	152.72	147.25	160.58	115.49
MAT Credit entitlement	-19.03	0.00	0.00	0.00	0.00
Deferred tax charge/(credit)	-56.84	-2.98	-89.52	-23.13	-11.24
Total tax expense (D)	**-25.82**	**149.74**	**57.74**	**137.45**	**104.25**
Net profit/(loss) after taxation (C-D) (E)	**265.54**	**335.65**	**246.38**	**332.15**	**298.93**
Net profit/(loss) for the period from discontinuing operations					
Profit for the period from discontinuing operations	-	-	-	-	-
Tax expense of discontinuing operations	-	-	-	-	-
Profit/(loss) from discontinuing operations after tax	-	-	-	-	-
Profit/(loss) for the year from continuing operations	**265.54**	**335.65**	**246.38**	**332.15**	**298.93**

Restated Standalone Statement of Cash flows

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Cash flows from/ (used in) operating activities					
Profit before taxation including discontinued operations (as restated)	**239.72**	**485.39**	**304.11**	**469.60**	**403.18**
Adjustments for:					
Depreciation and amortisation expense	236.98	210.31	245.71	110.80	90.49
Foreign exchange (gain)/loss	(1.12)	4.41	(10.94)	16.97	(0.14)
Net gain/(loss) on sale of fixed assets	(0.18)	(1.23)	(0.02)	(0.40)	(0.39)
Net gain/(loss) on sale of investments	0.00	(33.34)	0.00	1.10	0.00
Interest expense	516.65	199.92	246.04	123.51	140.31
Interest income	(47.70)	(19.74)	(36.28)	(8.12)	(2.36)
Dividend income	(2.53)	(78.49)	(161.16)	(164.40)	(158.61)
Bad debts & advances written off	134.62	64.36	144.27	137.88	90.71
Preliminary/Pre-operative expenses written off	1.62	1.62	0.00	0.00	0.00
Employee stock option compensation expense	63.65	35.70	32.12	(0.00)	0.00
Other non-Cash items	0.00	0.00	0.00	0.00	0.00
Operating profit/ (loss) before working capital changes (as restated)	**1,141.71**	**868.91**	**763.85**	**686.94**	**563.19**
Movements in working capital					
Decrease/(increase) in Trade receivables	(666.79)	(311.87)	(348.10)	317.68	(357.00)
Decrease/(increase) in inventories	(0.00)	54.20	(6.12)	(16.94)	1.14
Decrease/(increase) in loans and advances	(202.36)	(89.65)	(298.29)	171.90	(149.93)
Decrease/(increase) in other current assets	(676.68)	(241.87)	(162.52)	(773.50)	28.11
(Decrease)/increase in Trade payables	54.30	(32.59)	38.33	14.55	11.59
(Decrease)/increase in provisions	72.53	55.62	(51.44)	34.37	43.59
(Decrease)/increase in other current liabilities	662.97	94.65	333.48	31.64	130.39
Cash generated from/ (used in) operations	**385.68**	**397.40**	**269.19**	**466.64**	**271.08**
Direct taxes paid (net of refunds)	(353.01)	(228.72)	(212.90)	(180.17)	(120.03)
Net cash generated from/ (used in) operations	**32.67**	**168.68**	**56.29**	**286.47**	**151.05**
Cash flows from/ (used in) investing activities					
Purchase of fixed assets and changes in capital work in progress	(462.89)	(307.03)	(153.75)	(296.49)	(160.27)
Proceeds from sale/(purchase) of fixed assets	7.81	5.57	2.18	6.82	8.89
Proceeds from sale/(purchase) of investments	7.04	33.34	0.00	(1.10)	0.00
Investments made	(1,176.69)	(43.54)	(84.17)	(32.65)	0.00
Interest income	51.81	13.87	33.25	9.53	2.31
Dividend received	3.39	78.49	161.16	164.40	158.61
Preliminary and Pre-Operative Expenses incurred	(1.62)	(1.62)	0.00	0.00	0.00
Net cash generated/ (used in) investing activities	**(1,571.15)**	**(220.92)**	**(41.33)**	**(149.50)**	**9.54**
Cash flows from/ (used in) financing activities					
Proceeds from issue of share capital	0.05	0.25	0.00	126.07	0.00
Foreign exchange (gain)/loss Realised	1.12	(4.41)	10.94	(16.97)	0.14
Proceeds from term loans (including hire purchase)	1,086.25	0.00	30.61	88.90	222.11
(Repayment) of term loans (including hire purchase)	(28.68)	(75.18)	(60.91)	(174.53)	(40.30)
Change in loans repayble on demand	264.19	397.61	397.52	76.97	38.18
Bonds/Debentures issued (net)	1,550.00	0.00	0.00	173.93	2.31
Other Loans and Advances received (net)	31.70	35.08	(7.17)	38.75	(2.21)

Particulars	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
Interest paid	(503.03)	(200.27)	(245.97)	(123.83)	(139.98)
Dividends Paid	(0.00)	(270.41)	(174.30)	(203.24)	(127.81)
Tax on dividends paid	(39.32)	(0.00)	(9.11)	(0.00)	(20.73)
Net cash generated/ (used in) financing activities	**2,362.29**	**(117.33)**	**(58.39)**	**(13.96)**	**(68.29)**
Net increase/ (decrease) in cash and cash equivalents [I+II+III]	**823.81**	**(169.57)**	**(43.43)**	**123.01**	**92.31**
Cash & cash equivalents at the beginning of the year	**218.86**	**388.42**	**431.86**	**308.85**	**216.55**
Cash & cash equivalents at the end of the year [IV+V]	**1,042.67**	**218.86**	**388.42**	**431.86**	**308.85**
Components of cash and cash equivalents					
Cash on hand	1.64	0.61	1.27	0.60	0.86
With banks on current account & Others	1,041.04	218.25	387.16	431.26	307.99
Total cash and cash equivalents	**1,042.67**	**218.86**	**388.42**	**431.86**	**308.85**

Restated Consolidated Statement of Assets and Liabilities

(Amount in Rupees millions unless otherwise stated)

	Particulars	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					
(A)	**Shareholders' funds**					
	Share capital	687.03	62.00	61.75	61.75	213.30
	Reserves and surplus	4,743.90	4,431.52	3,852.95	3,855.89	3,105.96
		5,430.93	**4,493.52**	**3,914.70**	**3,917.64**	**3,319.27**
(B)	**Share application money pending allotment**	-	-	54.05	-	-
(C)	**Minority Interest**	145.88	25.75	764.73	363.76	393.06
		145.88	**25.75**	**764.73**	**363.76**	**393.06**
(D)	**Non - current liabilities**					
	Long-term borrowings	4,059.53	1,789.72	2,003.58	595.83	602.48
	Long-term provisions	764.54	669.54	551.44	749.67	701.65
		4,824.06	**2,459.26**	**2,555.02**	**1,345.50**	**1,304.13**
(E)	**Current liabilities**					
	Short-term borrowings	2,795.22	2,208.71	1,948.71	1,402.46	966.38
	Trade payables					
	Total outstanding dues of micro and small enterprises and	-	-	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises	465.53	332.70	425.84	287.27	288.84
	Other current liabilities	4,597.13	3,070.40	3,210.65	2,583.61	2,623.77
	Short-term provisions	2,226.20	2,007.93	1,643.43	1,562.31	1,477.41
		10,084.08	**7,619.73**	**7,228.63**	**5,835.65**	**5,356.40**
	Total (A+B+C+D+E)	**20,484.95**	**14,598.26**	**14,517.13**	**11,462.56**	**10,372.86**
	Assets					
(F)	**Non current assets**					
	Fixed assets					
	Tangible assets	1,602.53	1,325.10	1,233.55	1,231.72	983.02
	Intangible assets	2,778.19	1,754.70	2,051.61	1,281.69	1,330.86
	Capital work-in-progress	4.10	0.41	68.57	71.36	58.90
	Intangible assets under development	35.57	1.01	(0.00)	12.90	2.28
	Non-current investments	195.33	120.33	104.20	114.33	114.57
	Deferred tax assets (net)	628.98	474.79	404.51	379.15	291.81
	Long-term loans and advances	245.05	153.23	126.21	112.39	128.22
	Other non-current assets	6.07	3.29	2.44	2.04	2.54
		5,495.82	**3,832.86**	**3,991.09**	**3,205.59**	**2,912.19**
(G)	**Current assets**					
	Inventories	39.69	10.61	65.46	53.09	36.63
	Trade receivables	4,617.42	2,876.94	3,118.98	2,531.33	2,993.50
	Cash and bank balances	4,508.03	3,492.76	3,744.87	2,969.38	2,532.46
	Short-term loans and advances	673.01	522.62	434.15	201.16	393.70
	Other current assets	5,150.99	3,862.47	3,162.58	2,502.01	1,504.38
		14,989.13	**10,765.40**	**10,526.04**	**8,256.97**	**7,460.67**
	Total (F+G)	**20,484.95**	**14,598.26**	**14,517.13**	**11,462.56**	**10,372.86**

Restated Consolidated Statement of Profit and Loss

(Amount in Rupees millions unless otherwise stated)

Particulars	**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					
Revenue from operations	45,670.87	38,362.22	35,506.28	30,976.56	26,436.86
Other income	100.35	139.00	145.23	100.27	140.15
Total revenue (A)	**45,771.22**	**38,501.21**	**35,651.52**	**31,076.83**	**26,577.00**
Expenses					
Cost of raw materials and components consumed	134.55	35.86	23.78	20.05	16.77
Purchase of traded goods	51.09	71.22	103.63	13.19	16.68
Increase/(decrease) in inventories	(21.50)	(1.01)	(3.92)	0.77	(2.34)
Employee benefits expense	37,886.64	31,162.43	28,920.15	25,383.47	21,594.99
Depreciation and amortisation expense	456.47	431.57	454.36	305.24	255.30
Finance costs	748.76	475.18	477.41	256.06	310.65
Other expenses	5,403.37	5,399.54	4,869.73	4,081.39	3,566.47
Total expenses (B)	**44,659.37**	**37,574.80**	**34,845.14**	**30,060.17**	**25,758.53**
Share of net profit of associates accounted for using the equity method	**17.05**	**15.61**	**9.29**	**7.37**	**10.87**
Profit/(loss) before taxation (A-B) (C)	**1,128.91**	**942.03**	**815.66**	**1,024.02**	**829.34**
Tax expense/(income)					
Current tax	363.86	396.44	376.71	458.78	357.64
MAT credit Entitlement	-19.03				
Deferred tax charge/(credit)	-121.33	-100.13	-45.86	-89.10	-71.84
Total tax expense (D)	**223.50**	**296.31**	**330.85**	**369.68**	**285.79**
Net profit/(loss) after taxation (C-D) (E)	**905.41**	**645.72**	**484.81**	**654.34**	**543.55**
Profit/(loss) for the year before minority interest and share of associate company	**905.41**	**645.72**	**484.81**	**654.34**	**543.55**
Conversion to JV from Subsidiary	0.00	92.80	0.00	0.00	0.00
Profit/(loss) for the year before minority interest and share of associate company	**905.41**	**738.52**	**484.81**	**654.34**	**543.55**
Less : Minority interest in profit/(loss) for the year	(7.38)	(18.78)	(141.98)	(32.27)	(27.97)
Profit (Loss) for the year attributable to majority shareholder	**912.79**	**757.30**	**626.79**	**686.61**	**571.52**

Restated Consolidated Statement of Cash flows

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Cash flows from/ (used in) operating activities					
Profit before tax (as restated)	**1,128.91**	**942.03**	**815.66**	**1,024.02**	**829.34**
Adjustments for:					
Depreciation and amortisation expense	456.47	431.57	454.36	305.24	255.30
Interest expense	720.09	456.64	455.13	238.68	291.90
Amortisation of ancillary borrowing cost	0.00	0.00	0.00	0.00	0.00
Interest income	(95.61)	(100.65)	(114.32)	(105.80)	(147.85)
Loss/(profit) on sale of fixed assets (net)	(2.47)	(5.84)	(3.61)	(4.14)	(0.39)
Loss/(profit) on sale of long-term investments (net)	0.00	(33.34)	0.00	1.10	0.00
Share of net profit of associates accounted for using the equity method	(17.05)	(15.61)	(9.29)	(7.37)	(10.87)
Bad debts written off	238.28	296.15	182.15	147.58	118.02
Deferred revenue expenditure	2.04	2.34	0.22	0.01	0.01
Employee stock option scheme	76.61	35.70	32.12	0.00	0.00
Unrealised foreign exchange (profit)/loss	(1.66)	0.97	(14.69)	21.70	0.01
Other non-cash items	(0.04)	47.93	0.00	0.00	0.00
Operating profit/ (loss) before working capital changes (as restated)	**2,505.56**	**2,057.89**	**1,797.74**	**1,621.03**	**1,335.48**
Movements in working capital					
(Increase)/ decrease in loans and advances	(177.88)	(104.02)	(207.23)	207.09	(227.39)
(Increase)/ decrease in trade receivables	(1,213.72)	(314.73)	(623.35)	303.88	(418.91)
(Increase)/ decrease in inventories	(29.08)	54.31	(12.37)	(16.66)	(2.00)
(Increase)/ decrease in other current assets	(589.29)	(604.92)	(718.44)	(995.63)	(100.05)
Increase/ (decrease) in provisions	137.47	225.71	198.95	107.48	115.90
Increase/ (decrease) in trade payables	136.38	(47.16)	111.13	(0.05)	175.34
Increase/ (decrease) in other current liabilities	992.01	46.17	736.12	58.24	272.11
Cash generated from/ (used in) operations	**1,761.44**	**1,313.25**	**1,282.53**	**1,285.37**	**1,150.48**
Decrease/(increase) in other non-current assets	(3.58)	0.00	0.00	0.00	0.00
Direct taxes paid (net of refunds)	(813.41)	(583.00)	(569.87)	(484.01)	(505.65)
Net cash generated from/ (used in) operations	**944.45**	**730.25**	**712.67**	**801.36**	**644.83**
Cash flows from/ (used in) investing activities					
Purchase of fixed assets including intangible assets and capital work in progress	(670.39)	(658.60)	(468.55)	(544.51)	(434.11)
Purchase of long term investments	(1,528.33)	(5.00)	(721.09)	(0.38)	(8.67)
Proceeds from sale of fixed assets	23.61	13.85	9.58	13.46	8.89
Proceeds from sale of long term investments	7.04	33.34	-	(1.10)	-

Particulars	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
Interest received on deposits/loans	85.59	85.65	72.05	102.37	150.54
Dividends received	26.26	15.61	9.29	7.37	10.87
Preliminary and Pre-Operative Expenses incurred	(1.28)	(2.03)	(0.88)	0.48	(0.01)
Net cash generated/ (used in) investing activities	**(2,057.49)**	**(517.18)**	**(1,099.61)**	**(422.32)**	**(272.50)**
Cash flows from/ (used in) financing activities					
Proceeds from issuance of equity share capital	0.05	0.25	0.00	159.82	0.00
Share application money	0.00	(20.73)	54.05	0.00	0.00
Proceeds from long term borrowings	2,098.41	210.00	1,961.82	118.90	222.11
Repayment of long term borrowings	(370.86)	(394.15)	(400.85)	(470.38)	(332.27)
Interest paid on bank loans and others	(716.73)	(522.57)	(456.41)	(242.62)	(301.11)
Dividend paid	2.51	(271.63)	(174.30)	(203.24)	(127.81)
Dividend distribution tax	(39.32)	0.00	(9.11)	0.00	(20.73)
Foreign exchange (gain)/loss Realised	1.70	(0.97)	14.69	(21.70)	(0.01)
Foreign exchange (gain)/loss Un-Realised	0.00	0.00	(157.93)	0.00	0.00
Change in loans repayable on demand	354.47	370.53	612.95	440.31	(254.25)
Bonds/Debentures issued (net)	872.03	-	-	173.93	2.31
Finance lease obligation (net)	0.00	0.00	(0.52)	(5.38)	(12.04)
Other Loans and Advances received (net)	14.30	(7.81)	72.79	123.16	51.25
Net cash generated/ (used in) financing activities	**2,216.57**	**(637.07)**	**1,517.19**	**72.80**	**(772.56)**
Net increase/ (decrease) in cash and cash equivalents [I+II+III]	**1,103.53**	**(424.00)**	**1,130.24**	**451.84**	**(400.22)**
Cash & cash equivalents at the beginning of the year	3,492.76	3,744.87	2,969.38	2,532.46	2,838.68
Exchange difference on Opening Cash balance	(60.95)	163.74	(286.87)	(9.12)	94.00
Exchange difference on Closing and Average exchange rate	(22.81)	8.15	(68.96)	(5.81)	0.00
Translation adjustment – Other items	(4.51)	0.00	0.00	0.00	0.00
Cash balances added on acquisition/Investment	0.00	0.00	1.07	0.00	0.00
Cash & cash equivalents at the end of the year [IV+V]	**4,508.02**	**3,492.76**	**3,744.86**	**2,969.38**	**2,532.46**
Components of cash and cash equivalents					
Cash on hand	4.40	3.72	4.99	1.58	1.67
With banks on current account & Others	4,236.80	3,220.59	3,493.97	2,806.94	2,373.47
With banks on escrow account	266.82	268.45	245.90	160.87	157.32
Investment in liquid funds					
Total cash and cash equivalents	**4,508.02**	**3,492.76**	**3,744.87**	**2,969.38**	**2,532.46**

Particulars	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
Cash flows from/ (used in) operating activities					
Profit before tax (as restated)	**1,128.91**	**942.03**	**815.66**	**1,024.02**	**829.34**
Adjustments for:					
Depreciation and amortisation expense	456.47	431.57	454.36	305.24	255.30
Interest expense	720.09	456.64	455.13	238.68	291.90
Amortisation of ancillary borrowing cost	0.00	0.00	0.00	0.00	0.00
Interest income	(95.61)	(100.65)	(114.32)	(105.80)	(147.85)
Loss/(profit) on sale of fixed assets (net)	(2.47)	(5.84)	(3.61)	(4.14)	(0.39)
Loss/(profit) on sale of long-term investments (net)	0.00	(33.34)	0.00	1.10	0.00
Share of net profit of associates accounted for using the equity method	(17.05)	(15.61)	(9.29)	(7.37)	(10.87)
Bad debts written off	238.28	296.15	182.15	147.58	118.02
Deferred revenue expenditure	2.04	2.34	0.22	0.01	0.01
Employee stock option scheme	76.61	35.70	32.12	0.00	0.00
Unrealised foreign exchange (profit)/loss	(1.66)	0.97	(14.69)	21.70	0.01
Other non-cash items	(0.04)	47.93	0.00	0.00	0.00
Operating profit/ (loss) before working capital changes (as restated)	**2,505.56**	**2,057.89**	**1,797.74**	**1,621.03**	**1,335.48**
Movements in working capital					
(Increase)/ decrease in loans and advances	(177.88)	(104.02)	(207.23)	207.09	(227.39)
(Increase)/ decrease in trade receivables	(1,213.72)	(314.73)	(623.35)	303.88	(418.91)
(Increase)/ decrease in inventories	(29.08)	54.31	(12.37)	(16.66)	(2.00)
(Increase)/ decrease in other current assets	(589.29)	(604.92)	(718.44)	(995.63)	(100.05)
Increase/ (decrease) in provisions	137.47	225.71	198.95	107.48	115.90
Increase/ (decrease) in trade payables	136.38	(47.16)	111.13	(0.05)	175.34
Increase/ (decrease) in other current liabilities	992.01	46.17	736.12	58.24	272.11
Cash generated from/ (used in) operations	**1,761.44**	**1,313.25**	**1,282.53**	**1,285.37**	**1,150.48**
Decrease/(increase) in other non-current assets	(3.58)	0.00	0.00	0.00	0.00
Direct taxes paid (net of refunds)	(813.41)	(583.00)	(569.87)	(484.01)	(505.65)
Net cash generated from/ (used in) operations	**944.45**	**730.25**	**712.67**	**801.36**	**644.83**
Cash flows from/ (used in) investing activities					
Purchase of fixed assets including intangible assets and capital work in progress	(670.39)	(658.60)	(468.55)	(544.51)	(434.11)
Purchase of long term investments	(1,528.33)	(5.00)	(721.09)	(0.38)	(8.67)
Proceeds from sale of fixed assets	23.61	13.85	9.58	13.46	8.89
Proceeds from sale of long term investments	7.04	33.34	-	(1.10)	-
Interest received on deposits/loans	85.59	85.65	72.05	102.37	150.54
Dividends received	26.26	15.61	9.29	7.37	10.87

Particulars	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
Preliminary and Pre-Operative Expenses incurred	(1.28)	(2.03)	(0.88)	0.48	(0.01)
Net cash generated/ (used in) investing activities	**(2,057.49)**	**(517.18)**	**(1,099.61)**	**(422.32)**	**(272.50)**
Cash flows from/ (used in) financing activities					
Proceeds from issuance of equity share capital	0.05	0.25	0.00	159.82	0.00
Share application money	0.00	(20.73)	54.05	0.00	0.00
Proceeds from long term borrowings	2,098.41	210.00	1,961.82	118.90	222.11
Repayment of long term borrowings	(370.86)	(394.15)	(400.85)	(470.38)	(332.27)
Interest paid on bank loans and others	(716.73)	(522.57)	(456.41)	(242.62)	(301.11)
Dividend paid	2.51	(271.63)	(174.30)	(203.24)	(127.81)
Dividend distribution tax	(39.32)	0.00	(9.11)	0.00	(20.73)
Foreign exchange (gain)/loss Realised	1.70	(0.97)	14.69	(21.70)	(0.01)
Foreign exchange (gain)/loss Un-Realised	0.00	0.00	(157.93)	0.00	0.00
Change in loans repayable on demand	354.47	370.53	612.95	440.31	(254.25)
Bonds/Debentures issued (net)	872.03	-	-	173.93	2.31
Finance lease obligation (net)	0.00	0.00	(0.52)	(5.38)	(12.04)
Other Loans and Advances received (net)	14.30	(7.81)	72.79	123.16	51.25
Net cash generated/ (used in) financing activities	**2,216.57**	**(637.07)**	**1,517.19**	**72.80**	**(772.56)**
Net increase/ (decrease) in cash and cash equivalents [I+II+III]	**1,103.53**	**(424.00)**	**1,130.24**	**451.84**	**(400.22)**
Cash & cash equivalents at the beginning of the year	3,492.76	3,744.87	2,969.38	2,532.46	2,838.68
Exchange difference on Opening Cash balance	(60.95)	163.74	(286.87)	(9.12)	94.00
Exchange difference on Closing and Average exchange rate	(22.81)	8.15	(68.96)	(5.81)	0.00
Translation adjustment – Other items	(4.51)	0.00	0.00	0.00	0.00
Cash balances added on acquisition/Investment	0.00	0.00	1.07	0.00	0.00
Cash & cash equivalents at the end of the year [IV+V]	**4,508.02**	**3,492.76**	**3,744.86**	**2,969.38**	**2,532.46**
Components of cash and cash equivalents					
Cash on hand	4.40	3.72	4.99	1.58	1.67
With banks on current account & Others	4,236.80	3,220.59	3,493.97	2,806.94	2,373.47
With banks on escrow account	266.82	268.45	245.90	160.87	157.32
Investment in liquid funds					
Total cash and cash equivalents	**4,508.02**	**3,492.76**	**3,744.87**	**2,969.38**	**2,532.46**

Reconciliation of EBITDA to Net Income

The table below reconciles net income to EBITDA (on a consolidated basis). EBITDA is defined as net income before net interest expense, other non-operating income or losses, income taxes, and depreciation and amortization. Although EBITDA is not a measure of performance calculated in accordance with applicable accounting standards, management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. EBITDA should not be considered in isolation or construed as an alternative to cash flows, profit after tax or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities.

(in ₹ million)

Particulars	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
Profit / (Loss) for the year before minority interest	**905.41**	**645.72**	**484.81**	**654.34**	**543.55**
Add:					
Total tax expense	223.50	296.31	330.85	369.68	285.79
Depreciation and amortisation expense	456.47	431.57	454.36	305.24	255.30
Finance costs	748.76	475.18	477.41	256.06	310.65
Less					
Other income	100.35	139.00	145.23	100.27	140.15
EBITDA	**2,233.79**	**1,709.78**	**1,602.20**	**1,485.05**	**1,255.14**

Observations made by our Auditors

Our Auditors have made the following observations in terms of the Companies (Auditor's Report) Order 2003, Companies (Auditor's Report) Order 2015 and the Companies (Auditor's Report) Order 2016 in respect of the following Fiscal Years.

Observations with respect to our standalone financial statements

Fiscal Year	Observation	Corrective steps taken/ responses by our Company
2017	*According to the information and explanations given to us in respect of statutory dues:* *Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.* *There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of INR 33,746 (previous year - INR 33,657) which have been disclosed as a contingent liability in the financial statements.*	The delays were inadvertent and unintended. Our Company has paid all such statutory dues with delayed interest. Further, our internal accounting systems duly reports instances of delay for us to take corrective action.
2016	*According to the information and explanations given to us in respect of statutory dues:* *Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.*	

Fiscal Year	Observation	Corrective steps taken/ responses by our Company
	There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of INR 33,657, (previous year - INR 25,363) (INR in 000s), which have been disclosed as a contingent liability in the financial statements.	
2015	*According to the information and explanations given to us in respect of statutory dues:* *Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.* *There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of INR 25,363 (INR in 000s), which have been disclosed as a contingent liability in the financial statements.*	
2014	*The Company is generally regular in depositing undisputed statutory dues relating to Income Tax, Service Tax and other material statutory dues applicable to the Company although there have been some minor delays observed in few cases.*	

Observations with respect to our consolidated financial statements

Fiscal Year	Observation	Corrective steps taken/ responses by our Company
2016	*According to the information and explanations given to us in respect of statutory dues:* *Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Group have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.* *There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of ₹57,304 (previous year ₹36,366) (₹ in 000s), which have been disclosed as a contingent liability in the financial statements.*	The delays were inadvertent and unintended. Our Company has paid all such statutory dues with delayed interest. Further, our internal accounting systems duly reports instances of delay for us to take corrective action.
2015	*According to the information and explanations given to us in respect of statutory dues:* *Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Group have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.* *There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of ₹ 36,366 (₹ in 000s), which have been disclosed as a contingent liability in the financial statements.*	
2013 and 2014	*The Group is generally regular in depositing undisputed statutory dues relating to Income Tax, Service Tax and other material statutory dues applicable to the Group although there have been some minor delays observed in few cases* *There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess, etc. except for an amount of ₹ 23,378 (₹. in*	

Fiscal Year	Observation	Corrective steps taken/ responses by our Company
	000s) as at March 31, 2014, Rs. 14,819 (₹ in 000s) as at March 31, 2013 and ₹. 1,095 (₹ in 000s) as at March 31, 2012, which have been disclosed as a contingent liability in the financial statements.	

THE OFFER

The following table summarises the Offer details:

Offer	**9,565,404* Equity Shares aggregating to ₹ 7,795.80 million***
Of which:	
Fresh Issue(1)	4,444,785* Equity Shares aggregating up to ₹ 3,622.50 million*
Offer for Sale(2)	
By Theano	3,402,764* Equity Shares aggregating to ₹ 2,773.25 million*
By AAJV	68,336* Equity Shares aggregating to ₹ 55.69 million*
By Ravindra Kishore Sinha	786,517* Equity Shares aggregating to ₹ 641.01 million*
By Rituraj Kishore Sinha	524,345* Equity Shares aggregating to ₹ 427.34 million*
By the Other Selling Shareholders	338,657* Equity Shares aggregating to ₹ 276.01 million*
The Offer consists of:	
A. QIB Portion(3)	7,174,054* Equity Shares
Of which:	
Anchor Investor Portion*	4,304,432* Equity Shares
Net QIB Portion	2,869,622* Equity Shares
Of which:	
Mutual Fund Portion	143,482* Equity Shares
Balance for all QIBs including Mutual Funds	2,726,140* Equity Shares
B. Non-Institutional Portion(3)	1,434,810* Equity Shares
C. Retail Portion(3)	956,540* Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	68,714,250 Equity Shares
Equity Shares outstanding after the Offer	73,159,035* Equity Shares
Use of proceeds of this Offer	See "*Objects of the Offer*" on page 131. Our Company will not receive any proceeds from the Offer for Sale.

* *Subject to finalization of the Basis of Allotment.*

** *Our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 542.*

(1) The Offer has been authorised by a resolution of our Board dated July 27, 2016, and the Fresh Issue has been authorised by a special resolution of our shareholders at the EGM held on August 22, 2016.

(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	Total number of Equity Shares held*	% of the issued and subscribed share capital*	Date of resolution/ consent/ authorisation
Investor Selling Shareholders				
Theano	Up to 3,402,764	10,439,781	15.19	Board resolution dated September 7, 2016, read with letters dated January 24, 2017 and July 10, 2017
AAJV	Up to 68,336	210,892	0.31	Resolution dated September 22, 2016, read with letters dated January 24, 2017 and July 7, 2017
Promoter Selling Shareholders				
Ravindra Kishore Sinha	Up to 786,517	28,564,888	41.57	February 28, 2017
Rituraj Kishore Sinha	Up to 524,345	7,016,750	10.21	February 28, 2017
Other Selling Shareholders				
Uday Singh	166,232	612,447	0.89	September 12, 2016
Dhiraj Singh	55,000	106,425	0.15	September 12, 2016

Selling Shareholder	Number of Equity Shares offered in the Offer for Sale	Total number of Equity Shares held*	% of the issued and subscribed share capital*	Date of resolution/ consent/ authorisation
Manoj Fulfagar	11,000	33,000	0.05	September 15, 2016
Brajesh Kumar	9,900	9,900	0.01	September 12, 2016
Narayan Lenka	7,700	15,400	0.02	September 12, 2016
Pushpendra Kumar	6,050	18,150	0.03	September 13, 2016
Jyoti K. Karan	5,500	12,650	0.02	September 12, 2016
Dinesh Gupta	4,400	15,400	0.02	September 17, 2016
Vinay Kumar Srivastava	4,400	15,400	0.02	September 14, 2016
Sanjay Shanker Ojha	4,400	15,400	0.02	September 12, 2016
Deepak Kumar Shaw	3,300	10,450	0.02	September 16, 2016
Jayant Kumar Singh	3,300	6,325	0.01	September 13, 2016
Narendra Dhar Dwivedi	3,300	10,450	0.02	September 12, 2016
Tarun Goswami	3,300	5,324	0.01	September 16, 2016
Uma Sankar Pallai	3,300	10,450	0.02	September 12, 2016
A.N. Singh Dhami	2,750	3,575	0.01	September 12, 2016
Neerja Goswami	2,750	10,450	0.02	September 14, 2016
Vidya Sagar	2,750	5,225	0.01	September 17, 2016
Arvind Kumar Bali	2,200	3,300	0.00	September 14, 2016
Amiya Shankar	2,200	7,700	0.01	September 15, 2016
Nand Kishore Prasad	2,200	7,700	0.01	September 19, 2016
M. Ramaiah	1,925	5,225	0.01	September 12, 2016
Pranab Kumar Pradhan	1,925	5,225	0.01	September 12, 2016
Rajesh Kumar Sinha	1,925	6,325	0.01	September 12, 2016
Dharmendra Kumar Singh	1,650	5,500	0.01	September 12, 2016
Sanjay Pandey	1,650	3,575	0.01	September 13, 2016
Vishal Jagtap	1,650	2,750	0.00	September 12, 2016
Ajay Anupam	1,375	3,575	0.01	September 13, 2016
Akalesh Singh Rawat	1,375	3,300	0.00	September 12, 2016
Anand Kumar Singh	1,375	1,375	0.00	September 19, 2016
Bhanu Pratap Guddu	1,375	1,375	0.00	September 19, 2016
Gopal Krishna Sinha	1,375	3,300	0.00	September 12, 2016
Manish Kumar Singh	1,375	1,375	0.00	September 15, 2016
Pranav Kumar Mishra	1,375	3,575	0.01	September 12, 2016
Samir Kumar Sahoo	1,375	1,375	0.00	September 15, 2016
Sanjeev Kumar	1,375	1,375	0.00	September 19, 2016
Tarakant Raj	1,375	1,375	0.00	September 16, 2016
Vikas Pandey	1,375	1,375	0.00	September 20, 2016
Hemant Kumar Singh	1,100	5,225	0.01	September 12, 2016
Kingshuk Mallik	1,100	1,870	0.00	September 13, 2016
Rajeev Shanker Ojha	1,100	1,375	0.00	September 12, 2016
Sanjeev Kumar	1,100	13,750	0.02	September 13, 2016
Sanjeev Kumar Rao	990	3,190	0.00	September 12, 2016
Shishir Kumar Mishra	825	1,375	0.00	September 17, 2016
Pranay Kumar Acharya	660	1,375	0.00	September 15, 2016

* *As on the date of the Red Herring Prospectus.*

Each of the Selling Shareholders, severally and not jointly, confirms that their portion of the Offered Shares are eligible to be offered for sale in accordance with the SEBI ICDR Regulations, and have been held for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus (or have resulted from a bonus issue on Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus through capitalisation of general reserves and/ or share premium of our Company existing at the end of the previous Fiscal Year preceding the date of the Draft Red Herring Prospectus).

(3) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the GCBRLMs, the BRLMs and the Designated Stock Exchange, on 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 a combination of categories. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(iii) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids. For further details, please see "*Offer Structure*" on page 538.

GENERAL INFORMATION

Our Company was incorporated as 'Security and Intelligence Services (Eastern India) Private Limited', a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by RoC on January 2, 1985. In order to effectively expand our operations at the national level, the words 'Eastern India' were removed from our name in 1992, and a fresh certificate of incorporation was issued to us as 'Security and Intelligence Services (India) Private Limited' by the RoC on May 27, 1992. Subsequently, pursuant to a special resolution of our shareholders dated April 15, 1993, our Company was converted to a public limited company, and a fresh certificate of incorporation issued to us as 'Security and Intelligence Services (India) Limited' by the RoC on July 29, 1993. For details of changes in the name and the registered office of our Company, see "*History and Certain Corporate Matters*" on page 211.

Registration Number: 002083

Corporate Identity Number: U75230BR1985PLC002083

Registered Office

Annapoorna Bhawan
Telephone Exchange Road
Kurji, Patna 800 010
Bihar, India
Telephone: +91 612 2266 666
Facsimile: +91 612 2263 948
Website: www.sisindia.com

For details of change in the registered office of our Company, see "*History and Certain Corporate Matters – Changes in the Registered Office*" on page 211.

Corporate Office

A – 28 and 29
Okhla Industrial Area Phase – I
New Delhi 110 020, India
Telephone: +91 11 4646 4444
Facsimile: +91 11 4646 4400

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Bihar and Jharkhand (Patna), located at the following address:

Registrar of Companies, Bihar & Jharkhand (Patna)
Maurya Lok Complex, Block A
Western Wing, 4th Floor
Dak Banglow Road
Patna 800 001
Bihar, India

Board of Directors

The following table sets out the details regarding our Board:

Name	Designation	DIN	Address
Ravindra Kishore Sinha	Chairman	00945635	702, Ridgewood Tower, Omaxe Forest, Sector-92, Noida – 201 301, Uttar Pradesh, India
Rituraj Kishore Sinha	Managing Director	00477256	702, Ridgewood Tower, Omaxe Forest, Sector-92, Noida – 201 301, Uttar Pradesh, India

Name	Designation	DIN	Address
Uday Singh	Group CEO and Whole-time Director	02858520	No 408, Delphi-1, Prestige Acropolis No 20, Hosur Road, Bengaluru - 560 029, Karnataka, India
Arvind Kumar Prasad	Whole-time Director and Chief Financial Officer	02865273	Sri Niwas Ashram, First Floor, Dwarkanath Lane, Shalimpur Ahra, Patna – 800 003, Bihar, India
Rita Kishore Sinha	Director	00945652	702, Ridgewood Tower, Omaxe Forest, Sector-92, Noida - 201 301, Uttar Pradesh, India
Jayanta Kumar Basu*	Nominee Director	01268046	I-1742, Chittaranjan Park, New Delhi 110 019, Delhi, India
Arun Kumar Batra	Independent Director	00023269	J-6/3, DLF City Phase II, Gurgaon 122 002, Haryana, India
Ashok Kumar Mattoo	Independent Director	00097757	F-3, Sector 39, Noida – 201 303, Uttar Pradesh, India
Amrendra Prasad Verma	Independent Director	00236108	14C, Madhuban Gen J. C. Bhonsle Marg, Mumbai 400 021, Maharashtra, India
Dr. Ajoy Kumar	Independent Director	02320218	B-105, Kant Enclave, Faridabad 121 003, Haryana, India
Devdas Apte	Additional Director (Independent)	03350583	11-A, Ashoka Road, New Delhi 110 001, Delhi, India
Tirumalai Cunnavakaum Anandanpillai Ranganathan	Independent Director	03091352	236, Munirka Vihar, SFS Flats, Munirka, New Delhi 110 067, Delhi, India.

* *Pursuant to a resolution of our Board and shareholders dated April 3, 2013, Tarun Khanna was appointed as an alternate director to Jayanta Kumar Basu.*

For brief profiles and further details of our Directors, please see "*Our Management*" on page 251.

Chief Financial Officers

Arvind Kumar Prasad and Devesh Desai are the Chief Financial Officer and the Chief Financial Officer (International Business), respectively, of our Company. Their contact details are as follows:

Arvind Kumar Prasad
Nishat Regency
Near Capital Tower, Frazer Road
Patna 800 010, Bihar
Telephone: 91 612 233 2221
Facsimile: +91 612 233 2102
E-mail: arvind@sisindia.com

Devesh Desai
106, Ramanashree Arcade
18 M.G. Road
Bengaluru – 560 001, Karnataka
Telephone: +91 80 4091 2057
Facsimile: +91 80 2559 0804
E-mail: deveshdesai@sisindia.com

Company Secretary and Compliance Officer

Pushpa Latha Katkuri is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

106, Ramanashree Arcade
18 M.G. Road
Bengaluru – 560 001, Karnataka
Telephone: +91 80 2559 0801
Facsimile: +91 80 2559 0804
E-mail: pushpalatha.k@sisindia.com

Selling Shareholders

The Selling Shareholders in the Offer are:

1. The Investor Selling Shareholders, namely, Theano and AAJV.
2. The Promoter Selling Shareholders, namely, Ravindra Kishore Sinha and Rituraj Kishore Sinha.

3. The Other Selling Shareholders, as set forth in *"The Offer"* on page 85.

Global Coordinators and Book Running Lead Managers

Axis Capital Limited
1st Floor, Axis House
C-2, Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India
Tel: + 91 22 4325 2183
Facsimile: +91 22 4325 3000
E-mail: sis.ipo@axiscap.in
Investor grievance E-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact person: Lohit Sharma
SEBI Registration No.: INM000012029

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg
Churchgate, Mumbai 400 020
Maharashtra, India
Tel: +91 22 2288 2460
Facsimile: +91 22 2282 6580
E-mail: sis.ipo@icicisecurities.com
Investor grievance E-mail:
customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Anurag Byas
SEBI Registration No.: INM000011179

IIFL Holdings Limited
10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India
Tel: +91 22 4646 4600
Facsimile: +91 22 2493 1073
E-mail: sis.ipo@iiflcap.com
Investor grievance E-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Vishal Bangard/ Ankur Agarwal
SEBI Registration No.: INM000010940

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC, Plot No. 27
"G" Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
Facsimile: +91 22 6713 2447
E-mail: sis.ipo@kotak.com
Investor grievance E-mail: kmccredressal@kotak.com
Website: www.investmentbank.kotak.com
Contact Person: Ganesh Rane
SEBI Registration No.: INM000008704

Book Running Lead Managers

SBI Capital Markets Limited
202, Maker Tower E, Cuffe Parade
Mumbai 400 005, Maharashtra, India
Tel: +91 22 2217 8300
Facsimile: +91 22 2217 8332
E-mail: sis.ipo@sbicaps.com
Investor Grievance E-mail:
investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Aditya Deshpande
SEBI Registration No.: INM000003531

Yes Securities (India) Limited
IFC, Tower 1 & 2, Unit no. 602 A
6th Floor, Senapati Bapat Marg
Elphinstone Road, Mumbai 400 013
Tel.: +91 22 3347 7364
Facsimile: +91 22 2421 4508
E-mail: sis.ipo@yessecuritiesltd.in
Investor grievance E-mail: igc@yessecuritiesltd.in
Website: www.yesinvest.in
Contact Person: Aditya Vora
SEBI Registration No.: MB/INM000012227

IDBI Capital Markets & Securities Limited
(*Formerly IDBI Capital Market Services Limited*)
3rd Floor, Mafatlal Centre, Nariman Point
Mumbai 400 021, Maharashtra, India
Tel: +91 22 4322 1212
Facsimile: +91 22 2285 0785
Email: sis.ipo@idbicapital.com
Investor grievance E-mail: redressal@idbicapital.com
Website: www.idbicapital.com
Contact Person: Astha Daga
SEBI Registration No.: INM000010866

Statement of inter-se allocation of responsibilities among the GCBRLMs and the BRLMs

The responsibilities and coordination by the GCBRLMs and the BRLMs for various activities in this Offer are as follows:

S. no.	Activities	Responsibility	Coordination
1.	Due diligence of our Company's operations/ management/ business plans/ legal. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The GCBRLMs and the BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing of the same and drafting and approval of all statutory advertisements.	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	Axis
2.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	Axis
3.	Appointment of Banker(s) to the Offer and monitoring agency, if required	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	Axis
4.	Appointment of Advertising Agency and Printer including co-ordination for agreements to appoint the Ad Agency and filing of media compliance report to SEBI.	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	ISEC
5.	Appointment of Registrar including co-ordination for agreements to appoint the Registrar	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	IIFL
6.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (1) above including corporate advertisement, brochure	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	ISEC
7.	International institutional marketing including coordinating for research briefing, allocation of investors for meetings and finalise roadshow schedules, preparation and finalisation of the road-show presentation and FAQs.	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	Axis
8.	Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalising road show schedules	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	Kotak
9.	Non-institutional marketing of the Offer	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	IIFL
10.	Retail marketing of the Offer, which will cover, inter alia: • Formulating marketing strategies; Preparation of publicity budget, finalising media and public relations strategy. • Finalising centres for holding conferences for brokers; • Finalising collection centres; and Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material.	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	ISEC
11.	Coordination with the Stock Exchanges for book building process, filing of letters for software, bidding terminals, mock trading and anchor investor intimation, and payment of 1% security deposit to the Designated Stock Exchange.	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	Kotak
12.	Pricing and managing the book.	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	Axis

S. no.	Activities	Responsibility	Coordination
13.	• Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with the Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as the Registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. • Payment of the applicable securities transaction tax ("**STT**") on sale of unlisted equity shares by the Selling Shareholders under the Offer for Sale to the Government and filing of the STT return by the prescribed due date as per Chapter VII of the Finance (No. 2) Act, 2004. • Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of post Offer report to SEBI.	Axis, Kotak, ISEC, IIFL, SBICAP, Yes Securities, IDBI Capital	Kotak

Syndicate Members

India Infoline Limited
IIFL Centre, Kamala City
Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Tel: +91 22 4249 9000
Facsimile: +91 22 2495 4313
E-mail: cs@indiainfoline.com
Website: www.indiainfoline.com
Contact Person: Prasad Umarale
SEBI Registration No: INB011097533 (BSE)/ INB231097537 (NSE)

Kotak Securities Limited
12-BKC, Plot No. C-12
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai 400 051
Tel: +91 22 6218 5470
Facsimile: +91 22 6661 7041
E-mail: umesh.gupta@kotak.com
Website: www.kotak.com
Contact Person: Umesh Gupta
SEBI Registration No.: INB010808153 (BSE)/ INB230808130 (NSE)

SBICAP Securities Limited
Marathon Futurex, 12th Floor
A & B Wing, N. M. Joshi Marg, Lower Parel
Mumbai – 400 013
Tel: +91 22 4227 3300
Facsimile: +91 22 4227 3390
Email: archana.dedhia@sbicapsec.com
Website: www.sbismart.com
Contact person: Archana Dedhia
SEBI Registration No.: INB231052938 (NSE) /INB011053031 (BSE)

Legal Counsel to the Company as to Indian Law

Luthra & Luthra Law Offices
9th Floor, Ashoka Estate
24, Barakhamba Road
New Delhi 110 001, India
Telephone: +91 11 4121 5100
Facsimile: +91 11 2372 3909

Legal Counsel to the Underwriters as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216 Okhla Industrial Estate Phase – III
New Delhi 110 020, India
Telephone: +91 11 4159 0700
Facsimile: +91 11 2692 4900

International Legal Counsel to the Underwriters

Sidley Austin LLP
Level 31
Six Battery Road
Singapore 049909
Telephone: +65 6230 3900
Facsimile: +65 6230 3939

Registrar to the Offer

Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg,
Vikhroli West, Mumbai 400 083
Telephone: +91 22 4918 6200
Facsimile: +91-22 4918 6195
E-mail: sis.ipo@linkintime.co.in
Investor Grievance E-mail: sis.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Investor Grievances

Investors can contact the Company Secretary and Compliance Officer, the GCBRLMs, 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.

For all Offer related queries and for redressal of complaints, investors may also write to the GCBRLMs and the BRLMs.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

Banker(s) to the Offer/ Escrow Collection Bank(s)/ Refund Bank(s)

ICICI Bank Limited
Capital Market Division
1st Floor, 122, Mistry Bhavan
Dinshaw Vachha Road
Backbay Reclamation
Churchgate
Mumbai – 400 020
Telephone: +91 22 6681 8932
Facsimile: +91 22 2261 1138
E-mail: shradha.salaria@icicibank.com
Website: www.icicibank.com
Contact Person: Shradha Salaria
SEBI Registration No.: INBI00000004

Designated Intermediaries

Self Certified Syndicate Banks

The list of SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or such other websites as updated from time to time. For details of the Designated Branches which collected Bid cum Application Forms from the ASBA Bidders and Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

Bidders could submit Bid cum ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.* through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com and www.nseindia.com, respectively. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Collection Centres, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Collection Centres, including details such as name and contact details, are provided on the websites of Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively.

Statutory Auditors to our Company

M/s A. Mitra & Associates
514, Ashiana Tower
Exhibition Road
Patna-800001, Bihar
Telephone: + 91 612 2323948
Facsimile: +91 612 2323947/27
E-mail: a_m_asso2003@yahoo.co.in

ICAI Firm Registration Number: 005268C
Peer Review Number: 002641

Bankers to our Company

Axis Bank Limited
Corporate Relationship Group
2nd Floor, Red Fort Capital Tower
Gole Market, New Delhi 110 001
Telephone: +91 96744 75000
Facsimile: Nil
E-mail: dipak.agarwal@axisbank.com
Website: www.axisbank.com
Contact Person: Dipak Agarwal

HDFC Bank Limited
2nd Floor, Vatika Atrium
Block -A, Sector 53
Gurgaon 122 002
Telephone: +91 124 4664 391
Facsimile: Nil
E-mail: pranav.priyadarshi@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Pranav Priyadarshi

IDFC Bank Limited
4th Floor, Sood Towers
Barakhamba Road
New Delhi 110 001
Telephone: +91 11 6671 2030
Facsimile: Nil
E-mail: amit.gupta@idfcbank.com
Website: www.idfcbank.com
Contact Person: Amit Gupta

Standard Chartered Bank
DLF Building number 7A, Cyber City
Sector 24, 25 and 25A
Gurgaon 122 002
Telephone: +91 124 4876 328
Facsimile: +91 124 4876 207
E-mail: rahul.kumar2@sc.com
Website: www.sc.com/in
Contact Person: Rahul Kumar

Kotak Mahindra Bank Limited
Kotak Aerocity, Asset Area 9
2nd Floor, Ibis Commercial Block
Hospitality District, IGI Airport
New Delhi 110 037
Telephone: +91 11 6617 6237
Facsimile: +91 11 6608 4533
E-mail: sorab.aggarwal@kotak.com
Website: www.kotak.com
Contact Person: Sorab Aggarwal

ICICI Bank Limited
ICICI Tower, NBCC Place
Bhishm Pitamah Marg
Pragati Vihar
New Delhi 110 003
Telephone: +91 11 4221 8187
Facsimile: +91 11 2439 0070
E-mail: rishi.rajgarhia@icicibank.com
Website: www.icicibank.com
Contact Person: Rishi Rajgarhia

Yes Bank Limited
D-12, South Extension -2
New Delhi 110 049
Telephone: +91 98995 33388
Facsimile: +91 11 2625 4000
E-mail: mohit.gupta2@yesbank.in
Website: www.yessbank.in
Contact Person: Mohit Gupta

IDBI Bank Limited
Mid Corporate Group
Indian Red Cross Society Building
3rd Floor, 1 Red Cross Road
New Delhi 110 001
Telephone: +91 11 6628 1090
Fascimile: +91 11 2371 1664
Email: rajkumar@idbi.co.in
Website: www.idbi.com
Contact Person: Raj Kumar

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Monitoring Agency

Yes Bank Limited
YES BANK Tower, IFC 2, 8th Floor
Elphinstone (W), Senapati Bapat Marg

Mumbai – 400 013
Telephone: +91 22 3347 7260/ +91 22 3347 7259
Facsimile: +91 22 2421 4504
E-mail: dlescrowservices@yesbank.in
Website: www.yessbank.in
Contact Person: Sachin Shinde/ Shankar Vichare
SEBI Registration No.: INBI00000935

Expert

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

As required under Section 26(1)(a)(v) of the Companies Act, 2013, our Company has received written consent from our Auditors namely M/s A. Mitra & Associates, Chartered Accountants, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their (a) reports, both dated May 31, 2017 on the Restated Standalone Financial Statements and the Restated Consolidated Financial Statements, (b) report dated July 8, 2017 on the statement of possible tax benefits available for the Company and its shareholders, (c) report dated July 8, 2017 on the Proforma Financial Statements; and (d) report dated July 8, 2017 on certain financial information of Dusters, all of which have been included in this Prospectus.

Such consent has not been withdrawn as on the date of this Prospectus.

Appraising Entity

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

Credit Rating

As this is an offer of Equity Shares, credit rating is not required.

Trustees

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

Book Building Process

"Book building" refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid lot was decided by our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs, and advertised in all editions of the English daily newspaper Financial Express, all editions of the Hindi daily newspaper Jansatta and the Patna edition of Hindi newspaper, Business Standard (Hindi being the regional language in the state where the registered office of our Company is located), each with wide circulation, respectively, at least five Working Days prior to the Bid/ Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their websites. The Offer Price has been determined by our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs, after the Bid/ Offer Closing Date. The principal parties involved in the Book Building Process are:

(1) our Company;
(2) the Selling Shareholders;
(3) the GCBRLMs and the BRLMs;
(4) the Syndicate Members;
(5) the Registrar to the Offer;
(6) the Escrow Collection Banks;
(7) the SCSBs;
(8) the CDPs;
(9) the RTAs; and

(10) the Registered Brokers.

The Offer is being made in terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**") read with Regulation 41 of the SEBI ICDR Regulations, wherein at least 10% of the post-Offer paid-up Equity Share capital of our Company was offered to the public. This Offer is being made through the Book Building Process, wherein at least 75% of the Offer shall be Allotted to QIBs on a proportionate basis. Our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, have allocated up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one-third was available for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For further details, see "*Offer Procedure*" on page 542.

Such number of Equity Shares representing 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not more than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Investor Selling Shareholders in consultation with the GCBRLMs, the BRLMs and the Designated Stock Exchange, on 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 a combination of categories.

All potential Bidders, other than Anchor Investors could participate in the Offer mandatorily through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs (other than Anchor Investors) 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 Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis. For further details, see "*Offer Structure*" and "*Offer Procedure*" on 534 and 538, respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. The Selling Shareholders have specifically confirmed that they will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI, as applicable to the Selling Shareholders, in relation to the Offered Shares. In this regard, our Company and the Selling Shareholders have appointed the GCBRLMs and the BRLMs to manage this Offer and procure Bids for this Offer.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

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

Steps to be taken by the Bidders for Bidding

- Check eligibility for making a Bid. For further details, see "*Offer Procedure*" on page 542;

- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the State of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, are exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, which are exempted from specifying, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see "*Offer Procedure*" on page 542). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;
- Ensure the correctness of your PAN, DP ID and Client ID and beneficiary account number given in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain details of the Bidders from the Depositories including the Bidder's name, bank account number etc., and the Stock Exchanges will validate the electronic Bid details with the Depositories records for PAN, DP ID and Client ID;
- Ensure correctness of your demographic details such as the address, the bank account details for printing on refund orders and occupation given in the Bid cum Application Form, with the details recorded with your Depository Participant;
- Bids by ASBA Bidders will have to be submitted to the Designated Intermediaries in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission of the ASBA Forms to the Designated Intermediaries to ensure that the ASBA Form submitted by the ASBA Bidders is not rejected.
- Bids by all Bidders (except Anchor Investors) shall be submitted only through the ASBA process.

For further details, see the "*Offer Procedure*" on page 542.

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to this Offer, and does not illustrate bidding by Anchor Investors)

Bidders could Bid at any price within the Price Band. For instance, assuming a price band of ₹ 20 to ₹ 24 per share, an offer size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bid/offer period. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to offer the desired number of shares is the price at which the book cuts off, *i.e.*, ₹ 22 in the above example. Further, in the above example, the issuer will finalise the offer price at or below such cut-off, *i.e.*, at or below ₹ 22. All bids at or above the offer price and cut-off price are valid bids and are considered for allocation in the respective categories.

Underwriting Agreement

Our Company and the Selling Shareholders have entered into the Underwriting Agreement dated August 4, 2017 with the Underwriters. Pursuant to the terms of the Underwriting Agreement, each of the Global Coordinator and Book Running Lead Managers and the Book Running Lead Managers shall be severally responsible for bringing in the amount devolved in the event the respective Syndicate Members do not fulfil their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded, subject to Regulation 13 of the SEBI ICDR Regulations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

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

Details of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ million)
Axis Capital Limited 1st Floor, Axis House, C-2 Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Maharashtra, India **Tel**: + 91 22 4325 2183 **Facsimile**: +91 22 4325 3000 **E-mail**: sis.ipo@axiscap.in	341,622	278.42
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India **Tel :** +91 22 2288 2460 **Facsimile :** +91 22 2282 6580 **E-mail:** sis.ipo@icicisecurities.com	341,662	278.42
IIFL Holdings Limited 10th Floor, IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel (West) Mumbai 400 013, Maharashtra, India **Tel:** +91 22 4646 4600 **Facsimile:** +91 22 2493 1073 **E-mail:** sis.ipo@iiflcap.com	341,522	278.34
India Infoline Limited IIFL Centre, Kamala City Senapati Bapat Marg Lower Parel (West), Mumbai 400 013 **Tel**: +91 22 4249 9000 **Facsimile**: +91 22 2495 4313 **E-mail**: cs@indiainfoline.com	100	0.08
Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. 27 "G" Block, Bandra Kurla Complex, Bandra (East) Mumbai 400 051, Maharashtra, India **Tel:** +91 22 4336 0000 **Facsimile:** +91 22 6713 2447 **E-mail:** sis.ipo@kotak.com	341,521	278.34
Kotak Securities Limited 12-BKC, Plot No. C-12 G Block, Bandra Kurla Complex, Bandra (E) Mumbai 400 051	100	0.08

Details of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ million)
Tel: +91 22 6218 5470 **Facsimile**: +91 22 6661 7041 **E-mail**: umesh.gupta@kotak.com		
SBI Capital Markets Limited 202, Maker Tower E, Cuffe Parade Mumbai 400 005, Maharashtra, India **Tel:** +91 22 2217 8300 **Facsimile:** +91 22 2218 8332 **E-mail:** sis.ipo@sbicaps.com	341,521	278.34
SBICAP Securities Limited Marathon Futurex, 12th Floor A & B Wing, N. M. Joshi Marg, Lower Parel Mumbai – 400 013 **Tel**: +91 22 4227 3300 **Facsimile**: +91 22 4227 3390 **Email**: archana.dedhia@sbicapsec.com	100	0.08
Yes Securities (India) Limited IFC, Tower 1 & 2, Unit no. 602 A 6th Floor, Senapati Bapat Marg Elphinstone Road, Mumbai 400 013 **Tel**.: +91 22 3347 7364 **Facsimile**: +91 22 2421 4508 **E-mail**: sis.ipo@yessecuritiesltd.in	341,621	278.42
IDBI Capital Markets & Securities Limited *(Formerly known as IDBI Capital Market Services Limited)* 3rd Floor, Mafatlal Centre, Nariman Point Mumbai 400 021 , Maharashtra, India **Tel:** +91 22 4322 1212 **Facsimile:** +91 22 2285 0785 **Email:**sis.ipo@idbicapital.com	341,621	278.42
Total	**2,391,350**	**1,948.95**

The above-mentioned amount is indicative and will be finalised after finalisation of the Basis of Allotment and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchanges. The Board of Directors, at its meeting held on August 4, 2017, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

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

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Prospectus, is set forth below:

(In ₹, except share data)

		Aggregate nominal value	Aggregate value at Offer Price
A)	**AUTHORISED SHARE CAPITAL**		
	135,000,000 Equity Shares	1,350,000,000	-
B)	**ISSUED AND SUBSCRIBED SHARE CAPITAL BEFORE THE OFFER**		
	68,714,375 Equity Shares [(1)]	687,143,750	-
C)	**PAID UP SHARE CAPITAL BEFORE THE OFFER**		
	68,714,250 Equity Shares [(1)]	687,142,500	-
D)	**PRESENT OFFER IN TERMS OF THE RED HERRING PROSPECTUS***		
	Public offer of 9,565,404* Equity Shares	95,654,040*	7,795.80*
	Comprising		
	a) Fresh Issue of 4,444,785* Equity Shares[(a)]	44,447,850*	₹ 3,622.50 million*
	b) Offer for Sale of 5,120,619* Equity Shares by the Selling Shareholders	51,206,190*	₹ 4,173.30 million*
E)	**ISSUED AND SUBSCRIBED SHARE CAPITAL AFTER THE OFFER**		
	73,159,160* Equity Shares		731,591,600*
F)	**PAID UP SHARE CAPITAL AFTER THE OFFER**		
	73,159,035* Equity Shares		731,590,350*
G)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		675,426,368
	After the Offer		4,253,072,643*

(1) *125 Equity Shares were forfeited by our Company pursuant to a resolution of our Board dated March 27, 2010. See footnote 15 to the table on the build-up of the equity share capital of the Company on page 103.*

* *Subject to finalisation of the Basis of Allotment.*

(a) The Offer has been authorised by our Board pursuant to its resolution dated July 27, 2016, and by our shareholders pursuant to their resolution dated August 22, 2016.

(b) Please see "*The Offer*" on page 85 for details of consents provided by the Selling Shareholders for their respective portions of the Offer for Sale.

The Board has taken on record the Offer for Sale by the Selling Shareholders pursuant to its resolution dated September 26, 2016 and the Board has approved the Red Herring Prospectus pursuant to its resolution dated July 19, 2017, and the Board has approved this Prospectus pursuant to its resolution dated August 4, 2017.

Each of the Selling Shareholders, severally and not jointly, confirms that their portion of the Offered Shares are eligible to be offered for sale in accordance with the SEBI ICDR Regulations and have been held for a period of at least one year prior to the date of the Draft Red Herring Prospectus (or have resulted from a bonus issue on Equity Shares held for a period of at least one year prior to the date of the Draft Red Herring Prospectus through capitalisation of general reserves and share premium of our Company existing at the end of the previous Fiscal Year preceding the date of the Draft Red Herring Prospectus).

Changes in our Authorised Share Capital

For details in relation to the changes in the authorised share capital of our Company, see "*History and Certain Corporate Matters - Amendments to our Memorandum of Association*" on page 212.

Notes to Capital Structure

1. Share Capital History

1. History of equity share capital of our Company

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

Date of allotment/ forfeiture	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of transaction	Cumulative number of equity shares	Cumulative paid up equity share capital (₹)
January 2, 1985	216	100	100	Cash	Subscription to the MoA(1)	216	21,600
April 4, 1988#	2,522	100	100	Cash	Further issue(2)	2,738	273,800
April 21, 1994	2,979	100	100	Cash	Preferential allotment(3)	5,717	571,700
January 30, 1996#	17,390	100	100	Cash	Preferential allotment(4)	23,107	2,310,700
February 16, 1999#	21,950	100	100	Cash	Preferential allotment(5)	45,057	4,505,700
October 12, 2000#	32,530	100	100	Cash	Preferential allotment(6)	77,587	7,758,700
September 27, 2003#	44,127	100	100	Cash	Preferential allotment(7)	121,714	12,171,400
March 26, 2004#	78,286	100	100	Cash	Preferential allotment(8)	200,000	20,000,000
June 10, 2004	21,050	100	100	Cash	Preferential allotment(9)	221,050	22,105,000
Pursuant to a shareholders' resolution dated September 30, 2005, each equity share of our Company of the face value of ₹100 was split into 10 equity shares of our Company of the face value of ₹10 each, and accordingly, 221,050 equity shares of our Company of the face ₹100 each were split into 2,210,500 Equity Shares.							
October 25, 2005	2,210,500	10	-	Bonus	Bonus issue of one Equity Share for every one Equity Share held on the record date, by capitalisation of our general reserves (10)	4,421,000	44,210,000
March 31, 2006	579,000	10	10	Cash	Preferential allotment(11)	5,000,000	50,000,000
July 22, 2007+	131,500	10	197.15	Cash	Preferential allotment(12)	5,131,500	51,315,000
August 9, 2007+	131,500	10	202.08	Cash	Preferential allotment(13)	5,263,000	52,630,000
December 24, 2009#	14,623	10	10	Cash	Allotment pursuant to exercise of stock options held under ESOP 2008(14)	5,277,623	52,776,230
March 27, 2010	(125)	10	10	-	Forfeiture(15)	5,277,498	52,774,980
December 16, 2010#	11,350	10	10	Cash	Allotment pursuant to exercise of stock options	5,288,848	52,888,480

Date of allotment/ forfeiture	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of transaction	Cumulative number of equity shares	Cumulative paid up equity share capital (₹)
					held under ESOP 2008[16]		
February 15, 2012#	41,501	10	10	Cash	Allotment pursuant to exercise of stock options held under ESOP 2008[17]	5,330,349	53,303,490
April 5, 2013	464,686	10	-	Cash	Allotment pursuant to conversion of CCPS[18]	5,795,035	57,950,350
	230,966	10	-	Cash	Allotment pursuant to conversion of OFCDs[19]	6,026,001	60,260,010
April 23, 2013	146,205	10	829.74	Cash	Preferential allotment[20]	6,172,206	61,722,060
	2,953	10	829.83	Cash	Preferential allotment[21]	6,175,159	61,751,590
July 1, 2015	3,000	10	10	Cash	Allotment pursuant to exercise of stock options held under ESOP 2008[22]	6,178,159	61,781,590
September 29, 2015	2,000	10	10	Cash	Allotment pursuant to exercise of stock options held under ESOP 2008[23]	6,180,159	61,801,590
February 17, 2016	20,000	10	10	Cash	Allotment pursuant to exercise of stock options held under ESOP 2008[24]	6,200,159	62,001,590
July 19, 2016	2,500	10	10	Cash	Allotment pursuant to exercise of stock options held under ESOP 2008[25]	6,202,659	62,026,590
September 12, 2016	2,500	10	10	Cash	Allotment pursuant to exercise of stock options held under	6,205,159	62,051,590

Date of allotment/ forfeiture	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of transaction	Cumulative number of equity shares	Cumulative paid up equity share capital (₹)
					ESOP 2008[26]		
	40,565	10	-	Other than cash	Preferential allotment[27]	6,245,724	62,457,240
September 21, 2016	62,457,240	10	-	Bonus	Bonus issue of 10 Equity Shares for every one Equity Share held on the record date, *i.e.*, September 15, 2016.[28]	68,702,964	687,029,640
June 20, 2017	11,264	10	10	Cash	Allotment pursuant to exercise of stock options held under ESOP 2008 [29]	68,714,228	687,142,280
July 17, 2017	22	10	-	Cash[30]	Allotment pursuant to conversion of CCDs[30]	68,714,250	687,142,500

[#] *Holders of (a) equity shares allotted pursuant to these allotments ("**Stated Shares**") and/ or (b) equity shares allotted pursuant to any corporate action on the Stated Shares (such as split of the face value of the Stated Shares or bonus issuances on the Stated Shares) were provided an exit opportunity in accordance with the process as set forth in the SEBI circulars - CIR/CFD/DIL3/18/2015 and CFD/DIL3/CIR/P/2016/53 dated December 31, 2015 and May 3, 2016 respectively. For further details, please see "Risk Factors – We have made certain issuances and allotments of our equity shares which are not in compliance with section 67(3) of the Companies Act, 1956." on page 24. Also, see "- Certain Issuances and Allotments of Equity Shares in the past" on page 105.*

[+] *In relation to these allotments, there have been certain delays in reportings required to be made to the RBI and non-compliance with regulations governing foreign investment in our Equity Shares. For further details, please see "Risk Factors – There have been certain instances of discrepancies in relation to certain statutory filings made or required to be filed by our Company with the RoC under applicable law and certain other non-compliances under Indian company law. Further, we have, in the past, failed to comply with reporting requirements in respect of issuance of Equity Shares and CCPS and certain other regulations governing issuance of capital to non-resident shareholders." on page 30.*

(1) 216 equity shares of face value of ₹ 100 each were allotted to Ravindra Kishore Sinha and six other individuals as a result of subscription to the MoA.
(2) 2,522 equity shares of face value of ₹ 100 each were allotted to 55 allottees.
(3) 2,979 equity shares of face value of ₹ 100 each were allotted to 49 allottees. The issue price towards the aggregate of 2,979 equity shares allotted on April 21, 1994 was received in two equal instalments, i.e., (a) first instalment on the date of allotment aggregating to ₹ 148,950; and (b) second instalment pursuant to a call which was also aggregating to ₹ 148,950. As recorded in the audited balance sheet of our Company as at March 31, 1995, these Equity Shares were fully paid-up as at March 31, 1995.
(4) 17,390 equity shares of face value of ₹ 100 each were allotted to 778 allottees.
(5) 21,950 equity shares of face value of ₹ 100 each were allotted to 514 allottees.
(6) 32,530 equity shares of face value of ₹ 100 each were allotted to 448 allottees.
(7) 44,127 equity shares of face value of ₹ 100 each were allotted to 1,088 allottees.
(8) 78,286 equity shares of face value of ₹ 100 each were allotted to 4,249 allottees.
(9) 21,050 equity shares of face value of ₹ 100 each were allotted to 35 allottees.
(10) 2,210,500 Equity Shares were issued pursuant to capitalisation of ₹ 22,105,000 out of the general reserves of our Company.
(11) 579,000 Equity Shares were allotted to Ravindra Kishore Sinha.
(12) 131,500 Equity Shares were allotted to Thomas Berglund.
(13) 131,500 Equity Shares were allotted to Hakan Winberg.
(14) 14,623 Equity Shares were allotted to 58 allottees pursuant to exercise of stock options under ESOP 2008.
(15) 125 Equity Shares allotted under ESOP 2008 to Santan Kumar Tunga, were forfeited on March 27, 2010. This forfeiture was on account of failure to pay share allotment amount of ₹ 1,250 which was due thereon.
(16) 11,350 Equity Shares were allotted to 54 allottees pursuant to exercise of stock options under ESOP 2008.

(17) *41,501 Equity Shares were allotted to 287 allottees pursuant to exercise of stock options under ESOP 2008.*

(18) *1,600,000 CCPS were converted into 464,686 Equity Shares at a conversion price of ₹344.32 per Equity Share. Accordingly, Theano was allotted 464,686 Equity Shares, arising out of conversion of CCPS which was issued by our Company to D. E. Shaw on December 29, 2007 and was subsequently transferred by D. E. Shaw to Theano pursuant to a share purchase agreement.*

(19) *In accordance with the Investment Agreement, 230,966 OFCDs were converted into 230,966 Equity Shares at a conversion ratio of one Equity Share each for every OFCD. Accordingly, Vocational Skills Council (India) Private Limited was allotted 230, 966 Equity Shares.*

(20) *In accordance with the Investment Agreement, 146,205 Equity Shares were allotted to Theano.*

(21) *In accordance with the Investment Agreement, 2,953 Equity Shares were allotted to AAJV.*

(22) *1,000 Equity Shares were allotted to each of Dhiraj Singh, Manoj Fulfagar and Gyan Mohan pursuant to exercise of stock options under ESOP 2008.*

(23) *1,000 Equity Shares were allotted to each of Dhiraj Singh and Manoj Fulfagar pursuant to exercise of stock options under ESOP 2008.*

(24) *20,000 Equity Shares were allotted to Michael John McKinnon pursuant to exercise of stock options under ESOP 2008.*

(25) *2,000 Equity Shares were allotted to Tapash Chaudhuri and 500 Equity Shares were allotted to Vinod Advani pursuant to exercise of stock options under ESOP 2008.*

(26) *1,500 Equity Shares were allotted to Dhiraj Singh and 1,000 Equity Shares were allotted to Tapash Chaudhuri pursuant to exercise of stock options under ESOP 2008.*

(27) *In terms of a letter dated December 1, 2009, Uday Singh was issued and allotted 120,000 equity shares in SIH of AUD 1 each ("**BVI Shares**"), as unpaid shares (without having rights to dividend and voting rights). Pursuant to the aforementioned letter, Uday Singh had the option to exchange the BVI Shares for shares of any companies in the SIS group in a manner reflecting the fair value of the BVI Shares, reduced by the amounts unpaid on them. Subsequent to two cash redemptions taken by Uday Singh (in August 2013 and January 2015) and extinguishment of 41,000 BVI Shares, Uday Singh had 79,000 unpaid BVI Shares. Subsequently, in lieu of these BVI Shares and suitably adjusted for amounts unpaid thereon, Uday Singh was allotted 40,565 Equity Shares, at a ratio of 1.95 as determined in accordance with valuation report dated August 2, 2016 prepared by Mefcom Capital Markets Limited (a SEBI registered merchant banker).*

(28) *62,457,240 Equity Shares as a result of a bonus issue was allotted to the shareholders of our Company as on the record date for the bonus issue (i.e., September 15, 2016), pursuant to capitalisation of our Company's general reserves.*

(29) *5,500 Equity Shares were allotted to B. M. Narayan and 5,764 Equity Shares were allotted to Vamshidhar Guthikonda pursuant to exercise of stock options under ESOP 2008. As per the terms of ESOP 2008, the exercise of these stock options was adjusted for allotment of Equity Shares through bonus issue by our Company on September 21, 2016.*

(30) *Since the CCDs were originally subscribed to by Theano (1,727,485 CCDs at ₹100 per CCD) and AAJV (34,895 CCDs at ₹100 per CCD) in cash and the subscription amount of ₹176.23 million was paid by them to the Company at the time of subscription, allotment of 22 Equity Shares pursuant to conversion of CCDs has been considered as an allotment for cash. See "History and Other Corporate Matters – Material Agreements – Share Purchase and Shareholders' Agreements" on page 218. Upon conversion, our issued, subscribed and paid up share capital was increased by ₹220, and our securities premium amount was increased by ₹176,237,780. However, given that the format for the return of allotments under Form PAS 3 requires allotments upon conversion of debentures to be recorded as an "allotment of securities for consideration other than cash", this allotment was recorded in the corresponding Form PAS 3 in such manner.*

There have been certain discrepancies/ non-compliances in relation to resolutions passed and returns of allotment filed with RoC for certain allotments made in the past. Our Board has, by its resolution dated September 12, 2016 taken on record the non-compliances and correct details that should have been recorded in these resolutions and filings. Further, our Company and one of our Promoters namely, Ravindra Kishore Sinha have e-filed compounding applications on September 21, 2016 with the RoC in respect of some of the non-compliances that are compoundable under the Companies Act. Subsequently, by an order dated June 16, 2017, these violations were compounded by the Regional Director, Eastern Region - Kolkata, Ministry of Corporate Affairs, upon imposition of compounding fees of ₹0.3 million and ₹0.2 million each on our Company and Ravindra Kishore Sinha, our Chairman, respectively. The fines have since been paid. For further details, see "Risk Factors – There have been certain instances of discrepancies in relation to certain statutory filings made or required to be filed by our Company with the RoC under applicable law and certain other non-compliances under Indian company law. Further, we have, in the past, failed to comply with reporting requirements in respect of issuance of Equity Shares and CCPS and certain other regulations governing issuance of capital to non-resident shareholders." on page 30.

2. History of preference share capital of our Company

Date of allotment*/ Conversion	Number of preference shares	Face value (₹)	Issue price per preference share (₹)	Nature of consideration	Particulars	Cumulative number of Preference Shares	Cumulative paid-up preference share capital (₹)
December 29, 2007+	1,600,000	100	100	Cash	Preferential allotment(1)	1,600,000	160,000,000
April 5, 2013	(1,600,000)	100	-	-	Conversion(2)	Nil	Nil

* *The preference shares were fully paid-up on the date of their allotment.*

+ *In relation to this allotment there has been delay in reportings required to be made to the RBI and non-compliance with FDI regulations. Please see "Risk Factors – There have been certain instances of discrepancies in relation to certain statutory filings made or required to be filed by our Company with the RoC under applicable law and certain other non-compliances under Indian company law. Further, we have, in the past, failed to comply with reporting requirements in respect of issuance of Equity Shares and CCPS and certain other regulations governing issuance of capital to non-resident shareholders." on page 30.*

(1) 1,600,000 CCPS were allotted to D. E. Shaw.

(2) 1,600,000 CCPS were converted into 464,686 Equity Shares at a conversion price of ₹344.32 per Equity Share. Accordingly, Theano was allotted 464,686 Equity Shares, arising out of conversion of CCPS which was issued by our Company to D. E. Shaw on December 29, 2007 and was subsequently transferred by D. E. Shaw to Theano pursuant to a share purchase agreement.

3. *Shares issued for consideration other than cash or bonus*

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

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price (₹)	Reasons for allotment	Allottees	Benefits accrued to the Company
October 25, 2005	2,210,500	10	-	Bonus issue of one Equity Share for every one Equity Share held on the record date.	Existing shareholders of the Company as on August 4, 2005, the record date for this bonus issue.*	-
September 12, 2016	40,565	10	-	Preferential allotment	Uday Singh#	-
September 21, 2016	62,457,240	10	-	Bonus issue of 10 Equity Shares for every one Equity Share held on the record date.	Existing shareholders of the Company as on September 15, 2016, the record date for this bonus issue.*	-

**Given that these Equity Shares were allotted to a large number of shareholders, the names of the allottees have not been mentioned individually.*
 # For details in relation to this allotment, see footnote 27 to the table on the build-up of the equity share capital of the Company on page 104.

Our Company has not issued any bonus shares out of capitalisation of its revaluation reserves or unrealised profits.

4. Issue of Equity Shares in the last two preceding years

For details on the issue of Equity Shares by our Company in the last two preceding years, see "*Notes to Capital Structure – History of equity share capital of our Company*" on page 101.

5. *Certain Issuances and Allotments of Equity Shares in the past*

a) *Stated Allotments*

Between April 1988 and February 2012, our Company had, on nine occasions, allotted equity shares to persons in excess of 49 in number (collectively, the "**Stated Allotments**"). Some of the Stated Allotments may not have been in compliance with the provisions governing a public offering of securities under the Companies Act, 1956, including those mandating the issuance and registration of a prospectus.

A summary of the details of the Stated Allotments are set forth below:

S. no.	Date of Stated Allotment	Type of allotment	No. of Stated Shares Allotted	No. of allottees	Price of allotment* (in ₹)	Amount raised (in ₹)
1.	April 4, 1988	Further issue	2,522	55	100	252,200
2.	January 30, 1996	Preferential allotment	17,390	778	100	1,739,000
3.	February 16, 1999	Preferential allotment	21,950	514	100	2,195,000
4.	October 12, 2000	Preferential allotment	32,530	448	100	3,253,000
5.	September 27, 2003	Preferential allotment	44,127	1,088	100	4,412,700
6.	March 26, 2004	Preferential allotment	78,286	4,249	100	7,828,600
7.	December 24, 2009	Allotment pursuant to exercise of stock options held under ESOP 2008	14,623	58	10	146,230

S. no.	Date of Stated Allotment	Type of allotment	No. of Stated Shares Allotted	No. of allottees	Price of allotment* (in ₹)	Amount raised (in ₹)
8.	December 16, 2010	Allotment pursuant to exercise of stock options held under ESOP 2008	11,350	54	10	113,500
9.	February 15, 2012	Allotment pursuant to exercise of stock options held under ESOP 2008	41,501	287	10	415,010

* *Pursuant to a shareholders' resolution dated September 30, 2005, each equity share of our Company of the face value of ₹100 was split into 10 equity shares of our Company of the face value of ₹10 each.*

Each of the Stated Allotments were made, either wholly or primarily, to employees of our Company with the intent of ensuring employee retention.

b) Exit Offer

Through SEBI's press release dated November 30, 2015 and circulars dated December 31, 2015 and May 3, 2016 ("**SEBI Circulars**"), SEBI has set forth a framework by which companies involved in issuance of securities to more than 49 persons but up to 200 persons in a Fiscal Year may avoid penal action subject to fulfilment of certain conditions. Recognizing the intent and spirit of SEBI through the SEBI Circulars, our Company decided to provide an exit offer to relevant shareholders in respect of all nine of the Stated Allotments ("**Exit Offer**").

The Exit Offer was undertaken through the following steps.

(i) At its meeting on July 27, 2016, our Board approved the Exit Offer, and authorised Ravindra Kishore Sinha and Rituraj Kishore Sinha, our Promoters ("**Purchasers**"), to provide the Exit Offer. Simultaneously, the Purchasers and their respective spouses (Rita Kishore Sinha and Pallavi Khanna, respectively) informed the Board that they do not wish to tender any Equity Shares held by them in the Exit Offer.

The Board also constituted a committee of directors titled the "Exit Offer Committee" in this meeting, to take certain decisions in relation to the Exit Offer, including finalisation of the record date and the exit price for the Exit Offer ("**Exit Price**").

(ii) Link Intime India Private Limited (registered with SEBI as a registrar to an issue) was appointed as the registrar to the Exit Offer ("**Registrar**") through an agreement with the Purchasers dated August 25, 2016, to coordinate the Exit Offer process. Yes Bank Limited (registered with SEBI as a banker to an issue) was appointed as escrow collection bank to the Exit Offer, through an agreement with the Purchasers and the Registrar dated August 25, 2016, to operate the cash escrow account for the Exit Offer ("**Escrow Account**"). S.K. Jha & Associates, Chartered Accountants (peer review number 007207), ("**Independent CA**"), an independent chartered accountant was also appointed to verify compliance by our Company with the SEBI Circulars.

(iii) The Purchasers and our Company decided that the Exit Offer would be provided to all shareholders of our Company (other than the Purchasers and their respective spouses, as stated in (i) above), who held, on August 20, 2016, the record date for the Exit Offer ("**Record Date**"):

(a) Equity Shares allotted through the Stated Allotments ("**Stated Shares**"), and/ or
(b) Equity Shares allotted on account of any corporate action on the Stated Shares, including through split of the face value of the Stated Shares, or bonus issuances on the Stated Shares ("**Subsequent Stated Shares**"),

that had been acquired either through allotment or through secondary acquisition (such shareholders, collectively referred to as the "**Eligible Shareholders**").

Further, the Exit Offer would be made by the Purchasers for all Equity Shares held by the Eligible Shareholders on the Record Date ("**Eligible Shares**").

(iv) Based on a review of our corporate records, the Independent CA verified that 271 Eligible Shareholders held 1,324,372 Eligible Shares as at August 20, 2016.

(v) The SEBI Circulars provide that investors are to be given an exit offer at a price that is not less than the original subscription price along with 15% interest (or such higher returns promised to investors) from the date of subscription. The Independent CA verified that the highest Exit Price (as approved by the Exit Offer Committee) that could be offered to the Eligible Shareholders (in terms of the SEBI Circulars) was ₹ 53 per Eligible Share.

(vi) In its meeting on August 20, 2016, the Exit Offer Committee of the Board approved (i) the Record Date, (ii) the final list of Eligible Shareholders to whom the Exit Offer would be made, and (iii) in order to ensure parity in the treatment of all Eligible Shareholders, the Exit Price of ₹ 53 per Eligible Share, which, as stated in (v) above, was verified by the Independent CA as the highest exit price calculated in accordance with the SEBI Circulars.

(vii) Subsequently, Exit Offer letters dated August 30, 2016 ("**Exit Offer Letters**") from the Purchasers were dispatched by the Registrar to all Eligible Shareholders through registered post on August 31, 2016. Each Exit Offer Letter, *inter alia*, incorporated the following:

(a) An offer by the Purchasers to acquire all Eligible Shares held by each Eligible Shareholder on the Record Date;

(b) An option to each Eligible Shareholder to (a) accept the Exit Offer in full, or part and tender all or some of their Eligible Shares in the Exit Offer, or (b) reject the Exit Offer. The acceptance or rejection of the Exit Offer was required to be made by the Eligible Shareholders latest by September 14, 2016 ("**Exit Offer Closing Date**") and in the form and manner specified in the Exit Offer Letter. Further, each Exit Offer Letter unequivocally stated that in the event that either an acceptance letter ("**Acceptance Letter**") or a letter of rejection ("**Rejection Letter**") was not received by the Registrar from an Eligible Shareholder by the Exit Offer Closing Date, the Exit Offer would be deemed to be rejected by such Eligible Shareholder;

(c) A disclosure to the effect that our Company was proposing to undertake the Offer, and that the Eligible Shareholders had the option to tender their Eligible Shares for sale either in the Exit Offer, or in the Offer, as selling shareholders (and that if they chose to participate neither in the Exit Offer or the Offer, their shareholding would be locked in for one year from the date of allotment in the Offer, in accordance with the SEBI ICDR Regulations);

(d) Detailed terms and conditions of the Exit Offer, including the Exit Price, process of participation and documents required to be submitted by Eligible Shareholders to participate in the Exit Offer.

(viii) The aggregate consideration for the Exit Offer (assuming full participation by all Eligible Shareholders in the Exit Offer at the Exit Price) was also deposited in the Escrow Account by the Purchasers on August 31, 2016 and an escrow agreement dated August 25, 2016 among the Purchasers, Yes Bank Limited and the Registrar was also executed in this regard.

(ix) The Independent CA, by its certificate dated September 19, 2016, which was revised by letter dated January 7, 2017 (together as the "**Exit Offer Certificate**") certified that as on the Exit Offer Closing Date (a) 108 Eligible Shareholders submitted Rejection Letters pursuant to the Exit Offer Letters, and (b) the remaining 163 Eligible Shareholders tendered neither an Acceptance Letter nor a Rejection Letter. Accordingly, in accordance with the terms of the Exit Offer, no Eligible Shareholder tendered any Eligible Shares in the Exit Offer.

(x) The Exit Offer Certificate also confirmed that the Exit Offer was conducted in accordance with the SEBI Circulars. A copy of this certificate had been forwarded to SEBI by our Company by its letter dated September 26, 2016.

c) Compounding and settlement.

Apart from providing the Exit Offer through the Purchasers, we also filed, on September 22, 2016, an application with the Registrar of Companies, Bihar ("**RoC**") (also enclosing a compounding petition to the NCLT or the Regional Director) seeking to compound any breaches of Companies Act, 1956 occasioned by the Stated Allotments. Subsequently, by an order dated December 23, 2016, these violations were compounded by the National Company Law Tribunal (Kolkata Bench), Kolkata, upon imposition of fines of ₹ 0.5 million and ₹ 0.25 million each on our Company and Ravindra Kishore Sinha, our Chairman, respectively. The fines have since been paid.

We also filed an application dated November 15, 2016 with SEBI under regulation 3(1) of the Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014, as amended ("**SEBI Settlement Regulations**") for settlement of any violations in relation to the Stated Allotments. Through this application, our Company and its Directors voluntarily submitted themselves to the settlement procedure under the SEBI Settlement Regulations, and agreed to abide by settlement terms as mutually agreed with SEBI. By a letter dated March 7, 2017, SEBI returned this application citing certain technical grounds, and directed that a rectified application be filed within 15 days. Subsequently, we filed a revised settlement application dated March 15, 2017, accounting for these observations received from SEBI.

During the pendency of the settlement application, we received a show cause notice dated April 19, 2017 from SEBI, directing our Company to show cause as to why an inquiry should not be held against it under Rule 4 of the SEBI Adjudication Rules read with section 15-I of the SEBI Act, and a penalty not be imposed under section 15HB of the SEBI Act, as regards alleged non-compliance of the Stated Allotments with regulatory provisions governing public offerings in India. We have responded to this notice by our letter dated May 10, 2017, requesting SEBI to refrain from initiating any adjudication proceedings, and to withdraw the show cause notice given that our settlement application as regards the Stated Allotments was pending.

See "*Outstanding Litigation and Material Developments – Past cases of non-compliances and compounding*" on page 486.

d) Continued violations, if any.

While violations under section 67(3) of the Companies Act, 1956 are continuing in nature, since the Stated Allotments have been compounded by the NCLT, no such violation is continuing as on the date of this Prospectus.

e) Details of any pending investor complaints

There are no pending investor complaints as regards the Stated Allotments.

6. History of build-up, Promoters' contribution and lock-in of Promoters' shareholding

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

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

Name of the Promoter	Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value (₹)	Issue/ acquisition/transfer price per equity share (₹)	% of the pre-Offer equity share capital	% of the post-Offer equity share capital[#]
Ravindra Kishore Sinha[+]	January 2, 1985	Subscription to the MoA	108	Cash	100	100	0.00	0.00
	April 4, 1988	Preferential allotment	662	Cash	100	100	0.01	0.01
	April 21, 1994	Preferential allotment	1,155	Cash	100	100	0.02	0.02
	January 30, 1996	Preferential allotment	800	Cash	100	100	0.01	0.01
	October 12, 2000	Preferential allotment	10,850	Cash	100	100	0.16	0.15
	September 27, 2003	Preferential allotment	6,598	Cash	100	100	0.10	0.09
	March 26, 2004	Preferential allotment	450	Cash	100	100	0.01	0.01
	June 10, 2004	Preferential allotment	2,500	Cash	100	100	0.04	0.03
	March 31, 2005	Transfer	16,427	Cash	100	-[*]	0.24	0.22
	July 31, 2005	Transfer	73,725	Cash	100	-[*]	1.07	1.01

Pursuant to a resolution of our shareholders dated September 30, 2005, each equity share of our Company of face value ₹ 100 was split into 10 equity shares of our Company of face value of ₹ 10 each, and accordingly, 113,275 equity shares of ₹100 each held by Ravindra Kishore Sinha were split into 1,132,750 Equity Shares.

	October 25, 2005	Bonus issue of one Equity Share for every one Equity Share held on the record date	1,132,750	Bonus	10	-	1.65	1.55
	March 31, 2006	Preferential allotment	579,000	Cash	10	10	0.84	0.79
	April 25, 2007	Transfer	15,500	Cash	10	-[*]	0.02	0.02
	January 10, 2008	Transfer to D.E. Shaw	(50,000)	Cash	10	230	(0.07)	(0.07)
	May 3, 2008	Transfer to Arvind Kumar Prasad	(17,000)	Cash	10	-[*]	(0.02)	(0.02)
	May 3, 2008	Transfer to Uday Singh	(35,000)	Cash	10	-[*]	(0.05)	(0.05)
	May 3, 2008	Transfer	19,400	Cash	10	-[*]	0.03	0.03
	June 15, 2011	Transfer to Piyush Goyal	(29,923)	Cash	10	501.29	(0.04)	(0.04)
	October 30, 2012	Transfer to Piyush Goyal	(5,985)	Cash	10	501.25	(0.01)	(0.01)
	April 23, 2013	Transfer to Theano	(144,684)	Cash	10	2,011.28	(0.21)	(0.20)
	September 21, 2016	Bonus issue of 10 Equity Shares for every one Equity Share held on the record date	25,968,080	Bonus	10	-	37.79	35.50

Name of the Promoter	Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value (₹)	Issue/ acquisition/transfer price per equity share (₹)	% of the pre-Offer equity share capital	% of the post-Offer equity share capital#
	August 3, 2017	Transfer from the Investor Selling Shareholders pursuant to the Second Amendment Agreement and the Letter Amendment***	1,855,285	Other than cash	10	-	2.70	2.54
Sub-total			30,420,173				44.27	41.58
Rituraj Kishore Sinha+	February 16, 1999	Preferential allotment	360	Cash	100	100	0.00	0.00
	October 12, 2000	Preferential allotment	250	Cash	100	100	0.00	0.00
	September 27, 2003	Preferential allotment	2,868	Cash	100	100	0.04	0.04
	March 26, 2004	Preferential allotment	450	Cash	100	100	0.01	0.01
	March 31, 2005	Transfer	8,770	-	100	-*	0.13	0.12
	July 31, 2005	Transfer	16,649	-	100	-*	0.24	0.23
	Pursuant to a resolution of our shareholders dated September 30, 2005, each equity share of our Company of face value ₹ 100 was split into 10 equity shares of our Company of face value of ₹ 10 each, and accordingly, 29,347 equity shares of ₹ 100 each held by Rituraj Kishore Sinha were split into 293,470 Equity Shares.							
	October 25, 2005	Bonus issue of one equity share of ₹ 10 each for every one equity share of ₹ 10 each held	293,470	Bonus	10	-	0.43	0.40
	January 10, 2008	Transfer to D.E. Shaw	(33,913)	Cash	10	230	(0.05)	(0.05)
	December 31, 2011	Transfer from Pallavi Khanna	105,400	Other than cash#	10	0	0.15	0.14
	December 31, 2013	Transfer to Dhiraj Singh	(6,175)	Cash	10	917.57	(0.01)	(0.01)
	March 18, 2015	Transfer from Tarun Goswani	216	Cash	10	3,240.74	0.00	0.00
	March 18, 2015	Transfer from Mukesh Kumar Thakur	125	Cash	10	3,240.74	0.00	0.00
	April 23, 2015	Transfer from Kingshuk Mallik	155	Cash	10	3,240	0.00	0.00
	June 16, 2015	Transfer from Sunil Kumar	125	Cash	10	3,240.74	0.00	0.00
	September 9, 2015	Transfer from Sanjeev Kumar Rao	285	Cash	10	3,240.35	0.00	0.00
	December 2, 2015	Transfer from Sanjeev Kumar	150	Cash	10	3,240	0.00	0.00

Name of the Promoter	Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value (₹)	Issue/ acquisition/transfer price per equity share (₹)	% of the pre-Offer equity share capital	% of the post-Offer equity share capital#
	December 2, 2015	Transfer from Rajesh Kumar Sinha	125	Cash	10	3,240	0.00	0.00
	January 28, 2016	Transfer from Anil Kumar	75	Cash	10	3,240	0.00	0.00
	September 12, 2016	Transfer to Pratyush Kumar	(125)	Cash	10	80	0.00	0.00
	September 21, 2016	Bonus issue of 10 Equity Shares for every one Equity Share held on the record date	6,533,830	Bonus	10	-	9.51	8.93
	September 23, 2016	Transfer to Akash Kishore Prasad	(2,750)	Cash	10	36.36	0.00	0.00
		Transfer to Yash Aditya	(1,375)	Cash	10	7.27	0.00	0.00
		Transfer to Arjun Gulati	(6,875)	Cash	10	14.55	(0.01)	(0.01)
		Transfer to Nandita Raja	(13,739)	Cash	10	363.93	(0.02)	(0.02)
		Transfer to Vibhor Mehra	(2,750)	Cash	10	36.36	0.00	0.00
	November 25, 2016	Transfer to Sanjeev Paul	(13,739)	Cash	10	7.28	(0.02)	(0.02)
	November 28, 2016	Transfer to Shree Dange	(3,432)	Cash	10	29.14	0.00	0.00
	November 29, 2016	Transfer to Randhir Kochar	(13,739)	Cash	10	181.96	(0.02)	(0.02)
		Transfer to Vishan Narain Khanna	(6,875)	Cash	10	14.55	(0.01)	(0.01)
		Transfer to Vikash Kishore Prasad	(6,875)	Cash	10	7.27	(0.01)	(0.01)
		Transfer to Keyur Sinha	(6,875)	Cash	10	1.45	(0.01)	(0.01)
		Transfer to Shekhar Nagar	(3,432)	Cash	10	7.28	0.00	0.00
		Transfer to Reema Kumar	(2,750)	Cash	10	36.36	0.00	0.00
	December 2, 2016	Transfer to Atul Pandey	(3,432)	Cash	10	7.28	0.00	0.00
		Transfer to Yash Aditya	(1,375)	Cash	10	7.27	0.00	0.00
	December 13, 2016	Transfer to Praneet Mangali	(3,432)	Cash	10	7.28	0.00	0.00
	December 15, 2016	Transfer to Dr. Satyendra Kishore	(6,875)	Cash	10	72.72	(0.05)	(0.01)
	July 19, 2017	Transfer to RKS JV Trust**	(70,143)	Cash	10	10	(0.10)	(0.10)

Name of the Promoter	Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value (₹)	Issue/ acquisition/transfer price per equity share (₹)	% of the pre-Offer equity share capital	% of the post-Offer equity share capital#
	August 3, 2017	Transfer from the Investor Selling Shareholders pursuant to the Second Amendment Agreement and the Letter Amendment***	1,855,285	Other than cash	10	-	2.70	2.54
Sub-total			8,872,035				12.91	12.13
Total			39,292,208				57.18	53.71

**We have been unable to ascertain the acquisition price/sale price and nature of consideration for these transfers due to non-availability of transfer deeds. See, "Risk Factors - Some of our corporate records are not traceable" on page 51.*
#Pursuant to a deed of gift dated September 26, 2011 Pallavi Khanna gifted the said Equity Shares to Rituraj Kishore Sinha absolutely without any consideration.
*** The transfer was made to Pallavi Khanna in her capacity as a trustee of the RKS JV Trust.*
****3,710,570 Equity Shares (comprising of 3,637,098 Equity Shares by Theano and 73,472 Equity Shares by AAJV) were transferred to our Promoters (i.e. 1,855,285 Equity Shares to Ravindra Kishore Sinha and 1,855,285 Equity Shares to Rituraj Kishore Sinha) by the Investor Selling Shareholders pursuant to the Second Amendment Agreement and the Letter Amendment. For further details see, "History and Certain Corporate Matters" on page 211.*
 # Subject to finalisation of the Basis of Allotment.

Except for the allotment dated April 21, 1994, wherein the issue price was received in two equal instalments, namely, (a) the first instalment on the date of allotment and (b) second instalment pursuant to a call made by our Board which was paid up as at March 31, 1995, all the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such equity shares.

None of the Equity Shares held by our Promoters are pledged.

b) Shareholding of our Promoters and the members of our Promoter Group

Provided below are details of Equity Shares held by our Promoters and the members of our Promoter Group as on the date of this Prospectus:

S No.	Name of shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital (%)	No. of Equity Shares##	Percentage of post-Offer capital (%)##
Promoters					
1.	Ravindra Kishore Sinha	30,420,173	44.27	29,633,656	40.51
2.	Rituraj Kishore Sinha	8,872,035	12.91	8,347,690	11.41
Subtotal (A)		39,292,208	57.18	37,981,346	51.92
Promoter Group					
1.	Rita Kishore Sinha	12,111,055	17.63	12,111,055	16.55
2.	Vocational Skills Council India Private Limited	2,540,626	3.70	2,540,626	3.47
3.	Rivoli Sinha Aggarwal	2,408,780	3.51	2,408,780	3.29
4.	Pallavi Khanna	110,000	0.16	110,000	0.15
5.	RKS JV Trust#	70,143#	0.10	70,143	0.10
6.	Dr. Satyendra Kishore	6,875	0.01	6,875	0.01
7.	Vikash Kishore Prasad	6,875	0.01	6,875	0.01
8.	Vishan Narain Khanna	6,875	0.01	6,875	0.01
Subtotal (B)		17,261,229	25.12	17,261,229	23.59
Total Promoter & Promoter Group (A+B)		**56,553,437**	**82.30**	**55,242,575**	**75.51**

[#] *Held by Pallavi Khanna, in her capacity as a trustee.*
[##] *Subject to finalisation of the Basis of Allotment.*

All Equity Shares held by our Promoters and members of our Promoter Group are in dematerialised form.

c) Details of Promoters' contribution locked in for three years

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully-diluted post-Offer capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Promoters' Contribution**"). As on the date of this Prospectus, our Promoters collectively hold 39,292,208 Equity Shares, of which 35,581,288 Equity Shares constituting 51.78% of our Company's paid-up equity share capital is eligible for Promoters' Contribution.

Ravindra Kishore Sinha and Rituraj Kishore Sinha have, pursuant to their letters each dated September 26, 2016, given consent to include such number of Equity Shares held by them as may constitute 20% of the fully-diluted post-Offer equity share capital of our Company (assuming full conversion of the CCDs and exercise of all vested employee stock options) as Promoters' Contribution and have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of the Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoters' Contribution are as provided below:

Name of the Promoter	No. of Equity Shares[*] locked-in	Date of transaction[#]	Face value (₹)	Allotment/ Acquisition price (₹)	Nature of transaction	% of the pre-Offer capital	% of the fully-diluted post-Offer Capital
Ravindra Kishore Sinha	11,449,519	September 21, 2016	10	-	Bonus issue of 10 Equity Shares for every one Equity Share held on the record date	16.66	15.60
Rituraj Kishore Sinha	3,225,588					4.69	4.40
Total	**14,675,107**	-	-	-	-	**21.36**	**20.00**

[#] *Equity Shares were fully paid-up on the date of allotment/acquisition.*

Our Promoters have confirmed to the Company, the GCBRLMs and the BRLMs, that the Equity Shares held by them that will be deployed towards Promoters' Contribution were allotted to them pursuant to a bonus issue on Equity Shares held for a period of one year preceding the date of the Draft Red Herring Prospectus and therefore no loans or financial assistance from any bank or financial institution were availed by them for acquisition of such Equity Shares.

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

The Equity Shares that are being locked-in for computation of Promoters' Contribution are not, and will not be, ineligible under Regulation 33 of the SEBI ICDR Regulations. In particular, these Equity Shares do not, and shall not, consist of:

(i) Equity Shares acquired during the three years preceding the date of this Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) bonus shares issued out of revaluations reserves or unrealised profits or against equity shares which are otherwise ineligible for computation of promoters' contribution;
(ii) Equity Shares acquired during the one year preceding the date of this Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
(iii) Equity Shares issued to the Promoters in the last one year preceding the date of this Prospectus upon conversion of a partnership firm; and
(iv) Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.

7. ***Sales or purchases of Equity Shares or other specified securities of our Company by our Promoters, the other members of our Promoter Group or our Directors or their immediate relatives during the six months immediately preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus.***

Our Promoters, the other members of our Promoter Group or our Directors or their immediate relatives have not sold or purchased any Equity Shares or other specified securities of our Company during the six months immediately preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus, except as follows:

Name of the member of Promoter Group or Directors or their immediate relatives	No. of Equity Shares subscribed/ purchased	No. of Equity Shares sold/transferred	Date of transaction	Transaction price per Equity Share (in ₹)
Rita Kishore Sinha	400	-	July 30, 2016	25
	250			24
	527			20
	125		August 12, 2016	20
(Sub- total)	**1,302**			
Uday Singh	40,565		September 12, 2016	Nil
Dr. Satyendra Kishore	6,875		December 15, 2016	72.72
Vikash Kishore Prasad	6,875		November 29, 2016	7.27
Vishan Narain Khanna	6,875		November 29, 2016	14.55
Rituraj Kishore Sinha	-	(125)	September 12, 2016	80
		(1,375)	September 23, 2016	7.27
		(6,875)		14.55
		(13,739)		363.93
		(5,500)		36.36
		(13,739)	November 25, 2016	7.28
		(3,432)	November 28, 2016	29.14
		(13,739)	November 29, 2016	181.96
		(6,875)		14.55
		(6,875)		7.27
		(6,875)		1.45
		(3,432)		7.28
		(2,750)		36.36
		(3,432)	December 2, 2016	7.28
		(1,375)		7.27
		(3,432)	December 13, 2016	7.28
		(6,875)	December 15, 2016	72.72
		(70,143)	July 19, 2017	10
	1,855,285		August 3, 2017	-
Ravindra Kishore Sinha	1,855,285		August 3, 2017	-
(Sub- total)		(170,588)		
Total	**3,773,062**	**(170,588)**		

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

Except for (a) the Promoters' Contribution which shall be locked in as above, (b) the Equity Shares allotted pursuant to ESOP Schemes and held by employees (as on the date of Allotment) of our Company or Subsidiaries or material associates of our Company whose financial statements are consolidated with the Company's financial statements as per Accounting Standard 21 (if any); and (c) the Equity Shares which are sold or transferred as part of the Offer for Sale by the Selling Shareholders, the entire pre-Offer equity share capital of our Company (including those Equity Shares held by our Promoters in excess of Promoters' Contribution), shall be locked in for a period of one year from the date of Allotment. Any unsubscribed portion of the Equity Shares being offered by the Selling Shareholders in the Offer for Sale would also be locked-in as required under the SEBI ICDR Regulations.

In terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and among the Promoters and or members of the Promoter Group or a new promoter or persons in control of our

Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than the Promoters prior to the Offer, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in the hands of the transferee, compliance with the provisions of the Takeover Regulations.

The Equity Shares held by our Promoters which are locked-in as per Regulation 36 of the SEBI ICDR Regulations 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: (i) such pledge of the Equity Shares is one of the terms of the sanction of the loan and (ii) if the Equity Shares are locked-in as Promoter's Contribution, then in addition to the requirement in (i) above, such Equity Shares may be pledged only if the loan has been granted by the scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Offer.

Lock-in of Equity Shares Allotted to Anchor Investors

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

9. *Our shareholding pattern*

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

Category (I)	Category of Shareholder (II)	Number 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 dematerialised 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	Class	Total								
								Equity	NA									
(A)	**Promoter and Promoter Group**[+]	10	56,553,437	-	-	56,553,437	82.30	56,553,437	-	56,553,437	82.30	-	82.04	-	-	-	-	56,553,437
(B)	**Public**	290	12,160,813	-	-	12,160,813	17.70	12,160,813	-	12,160,813	17.70	216,496	17.96	-	-	-	-	11,714,345
(C)	**Non Promoter-Non Public**																	
(C) (1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C) (2)	Shares held by Employee Trusts	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A) + (B) + (C)	**300**	**68,714,250**	**-**	**-**	**68,714,250**	**100.00**	**68,714,250**	**-**	**68,714,250**	**100**	**216,496**	**100.00**	**-**	**-**	**-**	**-**	**68,267,782**

10. Shareholding of our Directors and Key Managerial Personnel in our Company

Other than as set forth below, none of the Directors and Key Managerial Personnel holds Equity Shares as on the date of this Prospectus:

Name	No. of Equity Shares	% of pre-Offer equity share capital
Directors		
Ravindra Kishore Sinha	30,420,173	44.27
Rita Kishore Sinha	12,111,055	17.63
Rituraj Kishore Sinha	8,872,035	12.91
Uday Singh	612,447	0.89
Arvind Kumar Prasad	165,000	0.24
Key Managerial Personnel (other than covered above)		
Brajesh Kumar	9,900	0.01
Total	**52,190,610**	**75.95**

11. As on the date of this Prospectus, our Company has 300 shareholders of Equity Shares.

12. Top 10 shareholders

(a) Our top 10 equity shareholders and the number of Equity Shares held by them, as on the date of this Prospectus are as follows:

S. No.	Shareholder	Number of Equity Shares held	Percentage of pre-Offer share capital
1.	Ravindra Kishore Sinha	30,420,173	44.27
2.	Rita Kishore Sinha	12,111,055	17.63
3.	Rituraj Kishore Sinha	8,872,035	12.91
4.	Theano	6,802,683	9.90
5.	Vocational Skills Council India Private Limited	2,540,626	3.70
6.	Rivoli Sinha Aggarwal	2,408,780	3.51
7.	Hakan Winberg	1,446,500	2.11
8.	Thomas Berglund	1,446,500	2.11
9.	Uday Singh	612,447	0.89
10.	Piyush Goyal	493,735	0.72
	Total	**67,154,534**	**97.73**

(b) Our top 10 equity shareholders and the number of Equity Shares held by them, as on the 10 days prior to filing of this Prospectus are as follows:

S. No.	Shareholder	Number of Equity Shares held	Percentage of pre-Offer share capital
1.	Ravindra Kishore Sinha*	28,564,888	41.57
2.	Rita Kishore Sinha	12,111,055	17.63
3.	Theano*	10,439,781	15.19
4.	Rituraj Kishore Sinha*	7,016,750	10.21
5.	Vocational Skills Council India Private Limited	2,540,626	3.70
6.	Rivoli Sinha Aggarwal	2,408,780	3.51
7.	Hakan Winberg	1,446,500	2.11
8.	Thomas Berglund	1,446,500	2.11
9.	Uday Singh	612,447	0.89
10.	Piyush Goyal	493,735	0.72
	Total	**67,081,062**	**97.62**

**As at 10 days prior to this Prospectus, 3,710,570 Equity Shares (comprising of 3,637,098 Equity Shares by Theano and 73,472 Equity Shares by AAJV) were proposed to be transferred to our Promoters (i.e. 1,855,285 Equity Shares to Ravindra Kishore Sinha and 1,855,285 Equity Shares to Rituraj Kishore Sinha) by the Investor Selling Shareholders pursuant to the Second Amendment Agreement and the Letter Amendment. For further details see, "History and Certain Corporate Matters" on page 211.*

(c) Our top 10 Equity Shareholders two years prior to filing of this Prospectus are as follows:

S. No.	Shareholder	Number of Equity Shares held	Percentage of Pre-Offer share capital to the Equity Shares held
1.	Ravindra Kishore Sinha	2,596,808	42.03
2.	Rita Kishore Sinha	1,099,703	17.80
3.	Theano*	949,070	15.36
4.	Rituraj Kishore Sinha	652,873	10.57
5.	Vocational Skills Council India Private Limited	230,966	3.74
6.	Rivoli Sinha Aggarwal	218,980	3.54
7.	Thomas Berglund	131,500	2.13
8.	Hakan Winberg	131,500	2.13
9.	Piyush Goyal	44,885	0.73
10.	AAJV *	19,171	0.31
	Total	**6,075,456**	**98.34**

* *As on two years prior to date of this Prospectus, Theano held 1,727,485 CCDs and AAJV held 34,895 CCDs. In terms of the Investment Agreement and the Second Amendment Agreement, the CCDs held by Theano and AAJV have converted into 22 Equity Shares (of which 11 Equity Shares were allotted to each of Theano and AAJV). For further details, see "History and Certain Corporate Matters" on page 211, and footnote 30 to the table on the build-up of the equity share capital of the Company on page 104.*

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

13. Employee Stock Option Schemes

a) ESOP 2008

To reward our employees for their contribution to our Company and to provide an incentive for their continuous contribution to our organisational success, pursuant to resolutions passed by our Board and our shareholders on September 19, 2008 and September 29, 2008 respectively, our Company instituted ESOP 2008. This plan envisaged the grant of options not exceeding 3% of the aggregate number of issued and outstanding Equity Shares. In accordance with the ESOP 2008, each option, on exercise would be eligible for one Equity Share (subject to corresponding fair and reasonable adjustment in the event of corporate actions by our Company including capitalisation of profits or reserves) upon payment of the exercise price. In furtherance of the resolutions passed by our Board and Shareholders on June 30, 2016 and July 27, 2016, the ESOP 2008 is terminated and the options granted under ESOP 2008 are governed by the ESOP 2016 except for the terms related to vesting and exercise which are subject to the conditions as specified in the individual notice of grants. Details of the ESOP 2008 are as follows:

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>125,096 options as on August 3, 2017.
<table>
<tr><th>Period</th><th>Number of options granted</th></tr>
<tr><td>Beginning of the Fiscal Year 2015</td><td>89,000</td></tr>
<tr><td>Financial Year 2015</td><td>30,500</td></tr>
<tr><td>Financial Year 2016</td><td>3,500</td></tr>
<tr><td>Financial Year 2017</td><td>2,096</td></tr>
<tr><td>Total options granted</td><td>125,096</td></tr>
</table></td></tr>
<tr><td>Pricing formula</td><td>Each option was granted at such exercise price which was equal to the face value of the Equity Share.</td></tr>
<tr><td>Exercise price of options (in ₹)</td><td>10 per option.</td></tr>
</table>

Particulars	Details
Vesting period	Subject to the terms of the ESOP 2008, unless otherwise decided by the Nomination and Remuneration Committee (formerly the ESOP Remuneration Committee), the vesting period specified under ESOP 2008 is as described below.

<u>Grant A:</u> 59,000 options were granted on October 28, 2008, with vesting period as follows:

Vesting Proportion	Vesting period from date of grant	Basis of Vesting
25%	One year	Achievement of ninety per cent (90%) or above of the annual business profitability target. In case of achievement of below ninety per cent (90%) of the annual business profitability target, options may be available for vesting, either in full or in part, only based on the discretion of the Nomination and Remuneration Committee.
25%	Two years	
50%	Three years	

Some of the options granted under ESOP 2008 are subject to varied vesting period as stated in the respective stock option agreement and as approved by the Nomination and Remuneration Committee which are as follows:

<u>Grant B:</u> 30,000 options were granted on January 14, 2011, with vesting period as follows:

Vesting Proportion	Vesting period from date of grant	Basis of Vesting
50%	One year	Achievement of ninety per cent (90%) or above of the annual business profitability target. In case of achievement of below ninety per cent (90%) of the annual business profitability target, options may be available for vesting, either in full or in part, only based on the discretion of the Nomination and Remuneration Committee.
50%	Two years	

<u>Grant C1</u>: 7,500 options were granted on July 1, 2014 with vesting period as follows:

Vesting Proportion	Vesting period from date of grant	Basis of Vesting
13.33%	12 months	Automatic
13.33%	14 months	
20%	26 months	
20%	38 months	
33.33%	50 months	

<u>Grant C2</u>: 2,000 options were granted on July 1, 2014 with vesting period as follows:

Vesting Proportion	Vesting period from date of grant	Basis of Vesting
50%	12 months	Automatic
50%	14 months	

<u>Grant C3</u>: 1,000 options were granted on July 1, 2014 with vesting period as follows:

Vesting Proportion	Vesting period from date of grant	Basis of Vesting
100%	12 months	Automatic

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td></td><td>
<u>Grant C4</u>: 20,000 options were granted on September 29, 2014 with vesting period as follows:
<table>
<tr><th>Vesting Proportion</th><th>Vesting period from date of grant</th><th>Basis of Vesting</th></tr>
<tr><td>100%</td><td>13 months</td><td>Automatic</td></tr>
</table>
<u>Grant D1</u>: 3,000 options were granted on April 1, 2015 with vesting period as follows:
<table>
<tr><th>Vesting Proportion</th><th>Vesting period from date of grant</th><th>Basis of Vesting</th></tr>
<tr><td>66.67%</td><td>12 months</td><td rowspan="2">Automatic</td></tr>
<tr><td>33.33%</td><td>17 months</td></tr>
</table>
<u>Grant D2:</u> 500 options were granted on April 1, 2015 with vesting period as follows:
<table>
<tr><th>Vesting Proportion</th><th>Vesting period from date of grant</th><th>Basis of Vesting</th></tr>
<tr><td>100%</td><td>12 months</td><td>Automatic</td></tr>
</table>
<u>Grant E:</u> 2,096 options were granted on April 4, 2016 with vesting period as follows:
<table>
<tr><th>Vesting Proportion</th><th>Vesting period from date of grant</th><th>Basis of Vesting</th></tr>
<tr><td>25%</td><td>One year</td><td rowspan="4">At each vesting, a maximum of 524 shares, being 25% of the total options granted will vest as follows:
262 options will vest automatically; and
a maximum of 262 options will vest depending on individual performance.</td></tr>
<tr><td>25%</td><td>Two years</td></tr>
<tr><td>25%</td><td>Three years</td></tr>
<tr><td>25%</td><td>Four years</td></tr>
</table>
</td></tr>
<tr><td>Options vested (excluding the options that have been exercised)</td><td>8,946 options as on August 03, 2017</td></tr>
<tr><td>Options exercised</td><td>98,498 options as on August 03, 2017</td></tr>
<tr><td>The total number of Equity Shares arising as a result of exercise of options</td><td>98,373 Equity Shares[#]

[#]125 Equity Shares allotted under ESOP 2008 to Santan Kumar Tunga, were forfeited on March 27, 2010. This forfeiture was on account of failure to pay share allotment amount of ₹ 1,250 which was due thereon. For details see "Capital Structure - History of equity share capital of our Company" on page 101.</td></tr>
<tr><td>Options lapsed/ forfeited/ cancelled</td><td>As on August 03, 2017, 12,080 options were lapsed/ forfeited/ cancelled.</td></tr>
<tr><td>Variation of terms of options</td><td>In furtherance of the resolutions passed by our Board and Shareholders on June 30, 2016 and July 27, 2016, the ESOP 2008 is terminated and the options granted under ESOP 2008 are governed by the ESOP 2016 (except for the terms related to vesting and exercise which are subject to the conditions as specified in the individual notice of grants).</td></tr>
<tr><td>Money realised by exercise of options (in ₹)</td><td>₹983,730</td></tr>
<tr><td>Total number of options in force as on August 03, 2017</td><td>14,518 options
<table>
<tr><td>Vested</td><td>8,946</td></tr>
<tr><td>Unvested</td><td>5,572</td></tr>
</table>
</td></tr>
<tr><td>Employee-wise</td><td></td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>detail of options granted to:</td><td></td></tr>
<tr><td>(i) Senior managerial personnel i.e., Directors and Key Managerial Personnel</td><td>Details as included in “Note 1” on page 123.</td></tr>
<tr><td>(ii) Any other employee who received a grant in any one year of options amounting to five per cent or more of the total options granted (under ESOP 2008 and ESOP 2016) during that year</td><td><table>
<tr><th>Year of grant</th><th>Name of employee</th><th>Number of granted options</th></tr>
<tr><td>Fiscal Year 2015</td><td>Michael John McKinnon</td><td>20,000</td></tr>
<tr><td></td><td>Dhiraj Singh</td><td>7,500</td></tr>
<tr><td></td><td>Manoj Fulfagar</td><td>2,000</td></tr>
<tr><td>Fiscal Year 2016</td><td>Tapas Chaudhary</td><td>3,000</td></tr>
<tr><td></td><td>Vinod Advani</td><td>500</td></tr>
<tr><td>Fiscal Year 2017</td><td>-</td><td>-</td></tr>
</table></td></tr>
<tr><td>(iii) Identified employees who were granted options during any one year equal to exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant</td><td>Nil</td></tr>
<tr><td>Fully diluted EPS on pre-Offer, standalone basis pursuant to exercise of options calculated in accordance with the relevant accounting standard (in ₹)</td><td>(i) For the period ended August 03, 2017: N.A.
(ii) For Financial Year 2017: 3.79
(iii) For Financial Year 2016: 4.91
(iv) For Financial Year 2015: 3.62</td></tr>
<tr><td>Fully diluted EPS on pre-Offer, consolidated basis pursuant to exercise of options calculated in accordance with the relevant accounting standard (in ₹)</td><td>(i) For the period ended August 03, 2017: N.A.
(ii) For Financial Year 2017: 13.03
(iii) For Financial Year 2016: 11.09
(iv) For Financial Year 2015: 9.20</td></tr>
<tr><td>Impact on profit and on EPS of the last three years if</td><td>The accounting policies as specified in Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 have been followed in respect of options granted in the last three fiscal years and during the period ended August 03, 2017 and the</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>the accounting policies as specified in the Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed in respect of options granted in the last three fiscal years.</td><td>profit and EPS have been computed after considering this impact.</td></tr>
<tr><td>Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and the impact of this difference on profits and EPS of the Company</td><td>Our Company calculates the employee compensation cost using the intrinsic value of the stock options as on the date of grant. If the company had followed the fair value of stock options for computing the employee compensation cost, then the impact on profits and EPS are provided in the table below:
<table>
<tr><th>Fiscal Year/ period ended</th><th>Impact on profit/ (loss) before tax (₹ million)</th><th>Impact on profit/ (loss) after tax (₹ million)</th><th>Impact on Basic EPS (₹ per share)</th><th>Impact on Diluted EPS (₹ per share)</th></tr>
<tr><td>August 03, 2017</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>2017</td><td>5.08</td><td>3.33</td><td>0.05</td><td>0.05</td></tr>
<tr><td>2016</td><td>6.68</td><td>4.37</td><td>0.06</td><td>0.06</td></tr>
<tr><td>2015</td><td>9.93</td><td>6.54</td><td>0.10</td><td>0.10</td></tr>
</table></td></tr>
<tr><td>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>
<table>
<tr><th>Basis</th><th>Grant A</th><th>Grant B</th><th>Grant C1, C2, C3</th><th>Grant C4</th><th>Grant D1, D2</th><th>Grant E</th></tr>
<tr><td>Exercise price (in ₹)</td><td>10</td><td>10</td><td>10</td><td>10</td><td>10</td><td>10</td></tr>
<tr><td>Fair value of options at the time of grant (in ₹)</td><td>64.94</td><td>133.51</td><td>2,086.09</td><td>1,632.87</td><td>2,215.24</td><td>2,245.89</td></tr>
<tr><td>Weighted average share price (in ₹)</td><td>76.78</td><td>146.40</td><td>2,180.00</td><td>1,677.00</td><td>2,270.00</td><td>2,180.00</td></tr>
</table></td></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free</td><td>To ascertain the reasonableness of the valuation of options, various quantitative factors of our Company were considered such as the net asset value, comparable book to value multiple and comparable price earning multiple.
<table>
<tr><th>Basis</th><th>Grant A</th><th>Grant B</th><th>Grant C1, C2, C3</th><th>Grant C4</th><th>Grant D1, D2</th><th>Grant E</th></tr>
<tr><td>Dividend yield (%)</td><td>2.00</td><td>2.00</td><td>1.75</td><td>1.75</td><td>1.75</td><td>1.75</td></tr>
<tr><td>Expected volatility (in %)</td><td>32.83</td><td>27.04</td><td>26.44</td><td>21.08</td><td>23.15</td><td>26.62</td></tr>
<tr><td>Risk-free interest rate (in %)</td><td>7.84</td><td>7.53</td><td>8.23</td><td>8.35</td><td>7.84</td><td>7.21</td></tr>
<tr><td>Weighted average share price (in ₹)</td><td>76.78</td><td>146.40</td><td>2,180.00</td><td>1,677.00</td><td>2,270.00</td><td>2,180.00</td></tr>
<tr><td>Exercise price (in ₹)</td><td>10</td><td>10</td><td>10</td><td>10</td><td>10</td><td>10</td></tr>
</table></td></tr>
</table>

Particulars	Details						
interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option.	Expected life of options granted (in years)	2.29	1.33	2.30	1.21	1.16	3.00
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	Nil						
Intention to sell Equity Shares arising out of the ESOP 2008 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of ESOP 2008 amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	N.A.						

Note 1

Details regarding options granted to the senior managerial personnel, i.e. Directors and Key Managerial Personnel under the ESOP 2008 is set forth below:

Sr. no	Name of director/ key managerial personnel	Designation	Total number of granted options	Total number of vested options	Total number of unvested options	Total number of lapsed/forfeited/ cancelled options	Total number of options exercised	Total number of vested outstanding Options
1.	Brajesh Kumar	Executive Director (Finance & Accounts)	2,000	1,900	-	100	1,900	-

b) ESOP 2016

To reward our employees for their contribution to our Company and to provide an incentive for their continuous contribution to our organisational success, pursuant to resolutions passed by our Board and our shareholders on June 30, 2016 and July 27, 2016 respectively, our Company has recently instituted an employee stock option scheme, namely, ESOP 2016. ESOP 2016 envisages the grant of such number of options (together with exercised options) enabling the eligible employee stock option holders the right to apply for Equity Shares not exceeding 5% of the issued and paid up equity share capital of our Company as on the first day of the financial year in which options are granted. Each option under ESOP 2016, upon exercise, grants its holder the right to be allotted one Equity Share, upon payment of the exercise price. As on August 03, 2017, under ESOP 2016 our Company had granted 1,216,000 options (after taking into effect the bonus shares approved for issue by our Board and shareholders on June 30, 2016 and July 27, 2016, respectively).

ESOP 2016 is in compliance with the SEBI ESOP Regulations and the Companies Act, 2013, and is accounted for in accordance with guidance notes issued by ICAI and the relevant accounting standards, as per the certificate dated July 8, 2017 from our Statutory Auditor.

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>1,216,000 options as on August 03, 2017.
<table>
<tr><th>Period</th><th>Number of options granted</th></tr>
<tr><td>As at the beginning of Fiscal Year 2015</td><td>N.A.</td></tr>
<tr><td>Financial Year 2015</td><td>N.A.</td></tr>
<tr><td>Financial Year 2016</td><td>N.A.</td></tr>
<tr><td>Fiscal Year 2017</td><td>1,216,000</td></tr>
<tr><td>Period between April 1, 2017 to August 03, 2017</td><td>Nil</td></tr>
<tr><td>Total options granted</td><td>1,216,000</td></tr>
</table></td></tr>
<tr><td>Pricing formula</td><td>Each option was granted at such exercise price which is equal to the face value of our Equity Share.</td></tr>
<tr><td>Exercise price of options (in ₹)</td><td>No options granted under ESOP 2016 have been exercised till August 03, 2017. The exercise price of each option is equal to the face value of our Equity Share.</td></tr>
<tr><td>Vesting period</td><td>Unvested options with the option grantee are eligible for vesting, unless the Nomination and Remuneration Committee decides otherwise and in accordance with the schedule laid down in the offer letter/grant letter. The vesting period specified under ESOP 2016 includes the following:
<table>
<tr><th>Vesting Proportion</th><th>Vesting period from date of grant</th><th>Basis of Vesting</th></tr>
<tr><td>10%</td><td>1 year</td><td>Performance linked</td></tr>
<tr><td>20%</td><td>2 years</td><td>Performance linked</td></tr>
<tr><td>30%</td><td>3 years</td><td>Performance linked</td></tr>
<tr><td>40%</td><td>4 years</td><td>Performance linked</td></tr>
</table></td></tr>
<tr><td>Options vested (excluding the Options that have been exercised)</td><td>118,090 options are vested as on August 03, 2017</td></tr>
<tr><td>Options exercised</td><td>Nil.</td></tr>
<tr><td>The total number of Equity Shares arising as a result of exercise of options</td><td>Nil.</td></tr>
<tr><td>Options lapsed/ forfeited/ cancelled</td><td>As on August 03, 2017, 35,100 options were forfeited.</td></tr>
<tr><td>Variation of terms of options</td><td>Nil.</td></tr>
</table>

Particulars	Details
Money realised by exercise of options	Nil.
Total number of options in force as on August 03, 2017	1,180,900 options Vested: 118,090 options Unvested: 1,062,810 options
Employee-wise detail of options granted to	
(i) Senior managerial personnel i.e., Directors and Key Managerial Personnel	Details as included in "***Note 1***" on page 127.
(ii) Any other employee who received a grant in any one year of options amounting to five per cent or more of the total options granted (under ESOP 2008 and ESOP 2016) during that year	**Year of Grant/ period of grant** / **Name of employee** / **Number of granted options** For the Fiscal Year 2017 / Devesh Desai / 87,530
(iii) Identified employees who were granted options during any one year equal to exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil.
Fully diluted EPS on pre-Offer, standalone basis pursuant to exercise of options calculated in accordance with the relevant accounting standard	For the period ended August 03, 2017: N.A. For the Fiscal Year 2017: 3.79
Fully diluted EPS on pre-Offer, consolidated basis pursuant to exercise of options calculated in accordance with the relevant	For the period ended August 03, 2017: N.A. For the Fiscal Year 2017: 13.03

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>accounting standard</td><td></td></tr>
<tr><td>Impact on profit and EPS of the last three years if the accounting policies as specified in the Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed in respect of options granted in the last three fiscal years</td><td>The accounting policies as specified in Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 have been followed in respect of options granted during the Fiscal Year 2017 and the period ended August 03, 2017 and the profit and EPS have been computed after considering this impact.</td></tr>
<tr><td>Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and the impact of this difference on profits and EPS of the Company</td><td>Our Company calculates the employee compensation cost using the intrinsic value of the stock options as on the date of grant. If the company had followed the fair value of stock options for computing the employee compensation cost, then the impact on Profits and EPS are provided in the table below:

Note: These numbers are on restated standalone basis.
<table>
<tr><th>Financial year/period ended</th><th>Impact on profit/(loss) before tax (₹ million)</th><th>Impact on profit/(loss) after tax (₹ million)</th><th>Impact on Basic EPS (₹ per share)</th><th>Impact on Diluted EPS (₹ per share)</th></tr>
<tr><td>August 03, 2017</td><td>N.A.</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr>
<tr><td>Fiscal Year 2017</td><td>5.08</td><td>3.33</td><td>0.05</td><td>0.05</td></tr>
</table></td></tr>
<tr><td>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>The exercise price of stock options is ₹ 10 per option and the fair value of stock options is ₹ 190.81 per option.</td></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life,</td><td>To ascertain the reasonableness of the valuation of options, various quantitative factors of our Company were considered such as the net asset value, comparable book to value multiple and comparable price earning multiple.
<table>
<tr><td>Dividend yield (%)</td><td>1.75</td></tr>
<tr><td>Expected volatility (%)</td><td>29.18</td></tr>
<tr><td>Risk-free interest rate (%)</td><td>7.10</td></tr>
<tr><td>Weighted average share price (in ₹)</td><td>215.91</td></tr>
<tr><td>Exercise price (in ₹)</td><td>10</td></tr>
<tr><td>Expected life of options granted (in years)</td><td>5</td></tr>
</table></td></tr>
</table>

Particulars	Details
expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option.	
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	Nil
Intention to sell Equity Shares arising out of the ESOP 2016 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of ESOP 2016 amounting to more than one per cent of the issued capital (excluding outstanding warrants and conversions)	N.A.

[*] These options were granted after taking into effect the bonus shares approved for issue by our Board and shareholders on June 30, 2016 and July 27, 2016, respectively.

Note 1

Details regarding options granted to the senior managerial personnel, i.e. Directors and Key Managerial Personnel under the ESOP 2016 are set forth below:

Sr. no	Name of Director/ Key Managerial Personnel	Designation	Total number of Granted options	Total number of vested options	total number of unvested options	Total Number of Lapsed/forfeited/ Cancelled options	Total number of options exercised	Total Number of vested outstanding options
1.	Devesh Desai	CFO (International Business)	87,530	Nil	87,530	Nil	Nil	Nil
2.	Brajesh Kumar	Executive Director (Finance & Accounts)	34,190	Nil	34,190	Nil	Nil	Nil

14. The details of Equity Shares issued by our Company in the last one year preceding the date of filing of this Prospectus which may have been issued at a price lower than the Offer Price are as follows:

S. No.	Name of allotees	Whether allottee belongs to Promoter Group	Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share	Reason for allotment
1.	Dhiraj Singh and Tapash Chaudhuri	No	September 12, 2016	2,500	10	10	Allotment pursuant to exercise of stock options held under ESOP 2008.
2.	Uday Singh	No	September 12, 2016	40,565	10	-	Preferential allotment. *See footnote 27 to the table on the build-up of the equity share capital of the Company on page 104.*
3.	Existing shareholders of the Company as on September 15, 2016, the record date for the bonus issue.	Some of the allottees are members of the Promoter Group (namely, our Promoters, Rita Kishore Sinha and Pallavi Khanna)	September 21, 2016	62,457,240	10	-	Bonus issue of 10 Equity Shares for every one Equity Share held on the record date (i.e., September 15, 2016).
4.	B. M. Narayan and Vamshidhar Guthikonda	No.	June 20, 2017	11,264	10	-	Allotment pursuant to exercise of stock options held under ESOP 2008.

15. Our Company, our Directors, the GCBRLMs and the BRLMs have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares or other specified securities of the Company.

16. Neither the GCBRLMs, BRLMs and nor their associates hold any Equity Shares as on the date of filing of this Prospectus. The BRLMs and their affiliates 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 and/or our Subsidiaries, for which they may in the future receive customary compensation.

17. No person connected with the Offer, including, but not limited to, the GCBRLMs, the BRLMs, the Syndicate Members, our Company, the Selling Shareholders, our Subsidiaries, the Directors, the Promoters or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid.

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

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

20. Other than options granted under ESOP 2008 and ESOP 2016 as described above, 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 Prospectus.

21. Our Company has not allotted any shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 233 of the Companies Act, 2013.

22. Except for the Fresh Issue and Equity Shares to be allotted pursuant to exercise of employee stock options, our Company presently does not intend or propose or is under negotiation or consideration to alter the capital structure for a period of six months from the Bid Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use of Equity Shares as consideration for acquisitions or participations in such joint ventures.

23. Except for Equity Shares allotted upon exercise of employee stock options, there has been no issuance of Equity Shares during the period commencing from the date of filing of the Draft Red Herring Prospectus with SEBI and until the date of this Prospectus. Except for exercise of employee stock options (if any) and the Fresh Issue, there will be no further issuances of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing the date of this Prospectus until the Equity Shares have been listed on the Stock Exchanges.

24. None of the Equity Shares held by the members of our Promoter Group are pledged or otherwise encumbered.

25. During the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with SEBI and until the date of this Prospectus, no financing arrangements existed whereby our Promoters, other members of our Promoter Group, our Directors or their relatives may have financed the purchase of securities of our Company by any other person.

26. Except to the extent of Equity Shares offered by the Promoter Selling Shareholders in the Offer for Sale, our Promoters and members of our Promoter Group will not submit Bids, or otherwise participate in this Offer.

27. This Offer is being made in terms of Rule 19(2)(b)(iii) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, wherein at least 10% of the post-Offer paid-up Equity Share capital of our Company was offered to the public.

The Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be Allotted on a proportionate basis to QIBs. Our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and BRLMs have allocated 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 was reserved for domestic Mutual Funds subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation PriceSuch number of Equity Shares representing 5% of the Net QIB Portion were available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was made available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Offer was made available for allocation on a proportionate basis to Non Institutional Bidders and not more than 10% of the Offer was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price and 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. All Bidders other than Anchor Investors are mandatorily required to participate in the Offer through ASBA process, providing the details of their respective bank accounts, which will be blocked by SCSBs. Anchor Investors are not permitted to participate in the Offer through ASBA process.

28. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and the BRLMs and the Designated Stock Exchange. Such *inter-se* spill-over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from any category or combination thereof.

29. The Equity Shares issued pursuant to this Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

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

31. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group, if any, during the period between the date of registering the Red Herring Prospectus with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

32. Oversubscription to the extent of 10% of the Offer to the public can be retained for the purposes of rounding off to the nearer multiple of minimum Allotment lot.

OBJECTS OF THE OFFER

The Offer consists of the Fresh Issue and the Offer for Sale.

Offer for Sale

The Selling Shareholders are entitled to sell an aggregate of 5,120,619* Equity Shares held by them, aggregating to ₹ 4,173.40 million* after deducting their proportion of Offer related expenses. Our Company will not receive any proceeds from the Offer for Sale.

**Subject to finalisation of the Basis of Allotment.*

Objects of the Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

(₹ million)

Particulars	Amount
Gross proceeds of the Fresh Issue	3,622.50*
(Less) Offer related expenses in relation to the Fresh Issue	233.82
Net Proceeds	**3,388.58**

**Subject to finalisation of the Basis of Allotment.*

After deducting the Offer related expenses in relation to the Fresh Issue, we estimate the proceeds of the Fresh Issue to be ₹ 3,388.58 million ("**Net Proceeds**"). The objects for which our Company intends to use the Net Proceeds are as follows:

1. Repayment and pre-payment of a portion of certain outstanding indebtedness availed by our Company;
2. Funding working capital requirements of our Company; and
3. General corporate purposes.

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

Requirement of funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (₹ million)
Repayment and pre-payment of a portion of certain outstanding indebtedness availed by our Company	2,000.00
Funding working capital requirements of our Company	600.00
General corporate purposes	788.58
Total	**3,388.58**

Proposed schedule of implementation and deployment of the Net Proceeds

The Net Proceeds are currently expected to be deployed in Fiscal 2018 as stated below:

(₹ million)

Particulars	Total Estimated Cost	Amount to be funded from the Net Proceeds in Fiscal 2018
Repayment and pre-payment of a portion of certain outstanding indebtedness availed by our Company	2,000.00	2,000.00
Funding working capital requirements of our Company	3,061.63	600.00

Particulars	Total Estimated Cost	Amount to be funded from the Net Proceeds in Fiscal 2018
General corporate purposes	788.58	788.58
Total	**3,388.58**	**3,388.58**

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions and competitive environment, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management. Subject to applicable law, if the actual utilisation towards any of the objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with the SEBI ICDR Regulations.

The above-stated fund requirements are based on our internal management estimates and have not been verified by the GCBRLMs and the BRLMs or appraised by any bank or financial institution or any other independent agency. Our Company proposes to deploy the Net Proceeds towards the objects as indicated above. Further, in case the Net Proceeds are not completely utilised in Fiscal 2018 due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law. For further details, see the "*Risk Factors – Our Company will not receive any proceeds from the Offer for Sale portion and objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.*" on page 50.

In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Fresh Issue, we may explore a range of options including utilising internal accruals and availing additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for general corporate purposes in accordance with applicable law.

Details of the Objects

1. Repayment and pre-payment of a portion of certain outstanding indebtedness availed by our Company

We enter into various financing arrangements from time to time, with banks and other financial institutions. Our borrowing arrangements are typically in the form of secured long term and short term loans, working capital facilities, including cash credit and letter of credit facilities and non-convertible debentures. For details of our financing arrangements, including related terms and conditions see, "*Financial Indebtedness*" and "*Financial Statements*" on pages 464 and 287, respectively.

We intend to utilize the Net Proceeds aggregating up to ₹ 2,000.00 million towards repayment and pre-payment a portion of certain outstanding indebtedness (as set forth below). The selection of borrowings proposed to be repaid and pre-paid from our facilities provided is based on (i) mandatory prepayment terms contained in certain bridge financing arrangements availed by us, and (ii) our business plans and working capital requirements. Payment of prepayment penalties, if any, shall be made out of the Net Proceeds of the Fresh Issue. In the event that the Net Proceeds of the Fresh Issue are insufficient for the said payment of prepayment penalty, such payment shall be made from our internal accruals.

Repayment and pre-payment of these facilities will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of our accruals for further investment in our business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund our potential business development opportunities.

The details of the outstanding loans proposed to be pre-paid from the Net Proceeds are set out below.

(a) **Pre-payment of indebtedness incurred for acquisition of Dusters.**

With effect from August 1, 2016, we acquired 78.72% of the equity share capital of Dusters, one of our current Subsidiaries, by purchasing 2,205,561 equity shares of ₹ 10 each of Dusters from its erstwhile shareholders, namely, its promoters (Shamsher Puri and Jasmer Puri), TVS Shriram Growth Fund I, some of its employees and certain other shareholders (the "**Dusters Acquisition**"). We paid an aggregate of ₹ 1,169.03 million to complete the aforementioned Dusters Acquisition. For further details on the Dusters Acquisition see "*History and Certain Corporate Matters – Material Agreements – Agreements for acquisition of Dusters*" and "*Our Business*" on pages 222 and 181, respectively.

The Dusters Acquisition was funded by bridge finance availed by us through (a) a term loan facility ("**Piramal Term Loan**"), and (b) the proceeds of a private placement of unlisted unrated secured redeemable non-convertible debentures of face value of ₹ 10 million each ("**Piramal NCDs**" and with the Piramal Term Loan, the "**Piramal Facilities**"), both availed from/ issued to Piramal Finance Private Limited ("**Piramal**"). The terms and conditions of the Piramal Facilities provide for a mandatory prepayment of certain amounts drawn down from the Piramal Facilities in the event of completion of the allotment and refund process of an initial public offering made by us ("**IPO Completion Date**"). Accordingly, we intend to utilise ₹ 1,200 million from the Net Proceeds to pre-pay amounts drawn down and outstanding as on May 31, 2017 from the Piramal Facilities, as set forth below.

(i) *Rupee facility from Piramal*

Through a facility agreement dated July 28, 2016 between our Company, Piramal and IDBI Trusteeship Services Limited (as security trustee), we have availed of the Piramal Term Loan. The relevant terms of the facility are set forth below:

Particulars	Details
Type of loan	Senior rupee term loan facility
Amount sanctioned	₹ 800 million*
Purpose	Financing of certain acquisitions
Rate of interest	12.70% *p.a.***
Repayment schedule	Repayment of the principal amount to be made in 48 equal instalments commencing 12 months after the drawdown date
Voluntary pre-payment	We can make a pre-payment of any amount under the Piramal Term Loan, which must not be less than ₹ 100 million, by giving 30 days written notice of our intention to make such pre-payment. No pre-payment charges or fees are payable by us in respect of this pre-payment.
Mandatory pre-payment	Within five calendar days of the IPO Completion Date, we are required to pre-pay an amount equal to 50% of the principal amounts of this facility (together with interest, default interest and other costs). No pre-payment charges or fees are payable by us in respect of this mandatory pre-payment.
Amount outstanding (as at May 31, 2017)	₹ 400 million*
Amount to be pre-paid from Net Proceeds	₹ 400 million

* *Under the facility agreement, the total amount sanctioned to our Company under the Piramal Term Loan is ₹800 million. However, as on the date of the Red Herring Prospectus, ₹400 million has been drawn down and availed by our Company for part-financing the Dusters Acquisition.*
** *We will continue to make interest payments through our internal accruals.*

(ii) *Non-convertible debentures issued to Piramal*

Through a private placement offer letter dated July 28, 2016, and a debenture trust deed dated July 28, 2016 between our Company and IDBI Trusteeship Services Limited (as debenture trustee), we issued and allotted 80 Piramal NCDs to Piramal. The relevant terms of the Piramal NCDs are set forth below:

Particulars	Details
Type of loan	Issue of unlisted unrated secured redeemable non-convertible debentures of face value of ₹ 10,000,000 of Series A to Piramal ("**Series A Piramal NCDs**").
Amount sanctioned	₹ 1,300 million*
Purpose	Financing of certain acquisitions
Rate of interest	12.70% *p.a.***
Repayment schedule	We are required to repay the principal amount outstanding on the Piramal NCDs in 48 unequal monthly installments commencing 12 months from the deemed date of allotment of the Piramal NCDs.
Voluntary pre-payment	We may, after the allotment of the Series A Piramal NCDs, make a pre-payment of any amount which must not be less than ₹ 100 million, by giving 30 days written notice of our intention to make such pre-payment. No pre-payment charges or fees are payable by us in respect of this pre-payment.
Mandatory pre-payment	Within five calendar days of the IPO Completion Date, we are required to pre-pay an amount equal to 50% of the principal amounts outstanding on the principal amounts outstanding on the Series A Piramal NCDs (together with interest, default interest and other costs). No pre-payment charges or fees are payable by us in respect of this mandatory pre-payment.
Amount outstanding (as at May 31, 2017)	₹ 800 million*
Amount to be pre-paid from Net Proceeds	₹ 800 million

**While the debenture trust deed dated July 28, 2016 envisages issuance of debentures amounting, in aggregate to ₹1,300 million, comprising of the Series A Piramal NCDs aggregating to ₹800 million and Series B NCDs aggregating to ₹500 million, as on the date of the Red Herring Prospectus, only the Series A Piramal NCDs have been issued and used for the purpose of part financing the Dusters Acquisition.*

*** *We will continue to make interest payments through our internal accruals.*

On July 31, 2017, in accordance with the Dusters acquisition agreements, we have acquired a further 7.20% of the outstanding equity shares of Dusters. See "*History and Certain Corporate Matters – Material Agreements – Other Agreements – Agreements for acquisition of Dusters*" on page 222.

(b) **Repayment of a certain portion of cash-credit facilities availed by our Company**

We propose to utilise the following amounts from the Net Proceeds to repay certain portion of working capital facilities availed by us in the ordinary course, as set forth below.

(i) *Cash credit facility from ICICI Bank Limited*

Our Company has availed a secured cash credit facility of ₹ 450.00 million from ICICI Bank Limited pursuant to a credit arrangement letter and an amendatory credit arrangement letter dated March 24, 2015, an enhancement credit arrangement letter dated May 18, 2016 and a facility agreement dated March 30, 2015. The relevant terms of the facility are set out below:

Particulars	Details
Type of loan	Cash credit facility (with sub-limits of working capital demand loan)
Amount sanctioned	₹ 450 million
Purpose	Working capital requirements

Particulars	Details
Rate of interest*	Cash credit: Base rate + 1.65% *p.a.*
Repayment schedule	Cash credit: Repayable on demand. Working capital demand loan: Bullet repayment on maturity, or in installments as decided for each tranche (till the validity of the facility)
Pre-payment terms	N.A.
Amount outstanding (as at May 31, 2017)	₹ 296.30 million.
Amount to be repaid from Net Proceeds	₹ 250.00 million.

**We will continue to make interest payments through our internal accruals.*

(ii) *Cash credit facility from Axis Bank Limited*

Our Company has availed a secured cash credit facility of ₹ 350.00 million from Axis Bank Limited pursuant to a sanction letter dated December 3, 2013, enhanced by a sanction letter dated February 8, 2016 (with some terms being modified by a letter dated March 3, 2016) and pursuant to a demand/ short term credit facility agreement dated March 11, 2016. The relevant terms of the facility are set out below:

Particulars	Details
Type of loan	Cash credit facility (with sub-limits of working capital demand loan and foreign currency demand loan)
Amount sanctioned	₹ 350 million
Purpose	Working capital requirements
Rate of interest*	Cash credit: Base rate + 1.50% *p.a.*
Repayment schedule	Repayable on demand.
Pre-payment terms	N.A.
Amount outstanding (as at May 31, 2017)	₹ 263.77 million.
Amount to be repaid from Net Proceeds	₹ 200.00 million.

**We will continue to make interest payments through our internal accruals.*

(iii) *Cash credit facility from IDBI Bank Limited*

Our Company has availed a secured cash credit facility of ₹ 200.00 million from IDBI Bank Limited pursuant to sanction letter dated January 8, 2016 (renewing the previous sanction letter dated April 28, 2014) and a master facility agreement dated May 30, 2016. The relevant terms of the facility are set out below:

Particulars	Details
Type of loan	Cash credit facility (with sub-limit of working capital demand loan facility of ₹ 100 million)
Amount sanctioned	₹ 200 million
Purpose	Working capital requirements
Rate of interest*	Base rate + 1.50% *p.a.*
Repayment schedule	Repayable on demand.
Pre-payment terms	N.A.
Amount outstanding (as at May 31, 2017)	₹ 42.55 million.
Amount to be repaid from Net Proceeds	₹ 40.00 million.

**We will continue to make interest payments through our internal accruals.*

(iv) *Working capital facilities from Kotak Mahindra Bank Limited*

Our Company has availed a secured working capital demand loan facility of ₹ 450.00 million from Kotak Mahindra Bank Limited pursuant to a sanction letter dated January 29, 2016, a master facility agreement dated March 8, 2016 and a letter dated February 29, 2016 (for establishing the interest rate on account of the merger between ING Vysya Bank Limited and Kotak Mahindra Bank Limited). The relevant terms of the facility are set out below:

Particulars	Details
Type of loan	Working capital demand loan facility (including sub-limits of cash credit facility of ₹ 375.00 million)
Amount sanctioned	₹ 450 million
Purpose	Working capital requirements
Rate of interest*	Working capital demand loan facility: 10.75% Cash credit: Base rate + 2.00% *p.a.*
Repayment schedule	Repayable on demand.
Pre-payment terms	Pre-payment charges as decided by the lender from time to time.
Amount outstanding (as at May 31, 2017)	₹ 445.80 million (of which ₹ 375.00 million is outstanding in respect of the working capital demand loan facility and ₹ 70.80 million is outstanding in respect of the cash credit facility availed by our Company)
Amount to be repaid from Net Proceeds	₹ 310.00 million.

* *We will continue to make interest payments through our internal accruals.*

As per a certificate dated July 8, 2017 issued by our Statutory Auditors, the above facilities have been utilized for the purposes for which they were sanctioned.

Given the nature of these borrowings and the terms of repayment and pre-payment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In the event that we are unable to raise the Offer Proceeds till the due date for repayment of the facilities mentioned above, the funds earmarked out of the Offer Proceeds for such repayment may be utilised for repayment and/or prepayment of any other loans, including loans availed by our Company after the date of filing of this Prospectus. However, the quantum of the Net Proceeds that will be utilised for prepayment or scheduled repayment of the loans shall not exceed ₹ 2,000.00 million.

Lender Related Lead Managers

Axis Capital Limited, ICICI Securities Limited, Kotak Mahindra Capital Company Limited and IDBI Capital Markets & Securities Limited (collectively, the "**Lender Related Lead Managers**"), which are subsidiaries of Axis Bank Limited, ICICI Bank Limited, Kotak Mahindra Bank Limited and IDBI Bank Limited (collectively, the "**Lenders**"), respectively are Global Coordinators and Booking Running Lead Managers and Book Running Lead Managers (as applicable) to the Offer. As part of their normal lending activities in ordinary course, the Lenders have extended cash credit facilities and working capital demand loans to our Company, which are proposed to be repaid/ pre-paid in part from the Net Proceeds, as disclosed above.

See "*Risk Factors – The objects of the Fresh Issue include repayment of outstanding loans including loans extended by holding companies of some of our GCBRLMs and BRLMs*" on page 51.

2. Funding working capital requirements of our Company

We propose to utilise ₹ 600 million from the Net Proceeds to fund working capital requirements of our Company. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and financing from various banks. As on March 31, 2017, our Company has a total sanctioned limit of working capital facilities of ₹ 4,078.50 million from various banks, of which it had utilised ₹ 1,789.88 million. For further information on the terms of these facilities, see "*Financial Indebtedness*" on page 464.

Basis of estimation of working capital requirement and estimated working capital requirement

Our Company's current assets, current liabilities and working capital requirement and funding on the basis of the Restated Standalone Financial Statements as at March 31, 2016 and March 31, 2017 is provided below.

(₹ in million)

Current assets	March 31, 2016	March 31, 2017
Inventories	0.00	0.00
Trade receivables	969.16	1,496.08
Short-term loans and advances		
Other loans and advances (deposits with suppliers)		
Salary and employee advances	239.60	272.72
EMD for tenders	89.78	164.73
Unadjusted advance payments	54.87	50.60
Other items	71.47	70.68
Other current assets		
Unbilled revenue	1,297.54	1,626.11
Interest accrued on deposits	9.77	5.66
Others debtors and prepayments	17.91	110.48
Advance Income Tax/ TDS receivable	506.91	833.19
Total current assets (A)	**3,257.00**	**4,630.25**
Current liabilities		
Trade payables	70.93	125.23
Other current liabilities		
Income received in advance	18.05	35.81
Other payables and accruals	1,251.83	1,659.01
Short-term provisions		
Provision for taxation	299.97	350.02
Total current liabilities (B)	**1,640.78**	**2,170.08**
Net working capital requirements (A) – (B)	**1,616.21**	**2,460.17**
Funding pattern		
- Bank borrowings (including overdraft facilities)	**1,521.35**	**1,811.04**
- Internal accruals	**94.86**	**649.13**
Total	**1,616.21**	**2,460.17**

On the basis of our existing working capital requirements and the incremental working capital requirements, our Board pursuant to their resolution dated July 8, 2017 has approved the business plan for Fiscal 2018 and the projected working capital requirements for Fiscal 2018 is as stated below.

Current assets	March 31, 2018 (₹ in million)
Inventories	61.88
Trade receivables	2,092.72
Short-term loans and advances	804.47
Other current assets	
Unbilled revenue	1,856.47
Interest accrued on deposits	5.66
Others debtors and prepayments	110.48
Advance Income Tax/ TDS receivable	1,165.45
Total current assets	**6,097.10**

Current assets	March 31, 2018 (₹ in million)
Current liabilities	
Trade payables	175.18
Other current liabilities	
Income received in advance	50.09
Other payables and accruals	2,320.60
Short-term provisions	
Provision for taxation	489.61
Total current liabilities	**3,035.48**
Net working capital requirement	**3,061.63**
Funding pattern	
- Bank borrowings (including limits available post repayment of working capital loans)	**1,812.50**
- Internal accruals	**649.13**
- Fresh Issue proceeds	**600.00**
Total	**3,061.63**

Holding levels

Provided below are details of the holding levels (days) considered.

Particulars	Number of days outstanding
Inventories	Our inventories primarily consist of uniforms of employees. We have assumed one day of average annual revenue from operations
Trade receivables	Trade receivable primarily consists of invoices raised with our clients for our services. We have assumed approximately 34 days average annual revenue from operations
Other loans and advances	Other loans and advances consists of security deposits for tenders, employee salary advances, etc. We have assumed approximately 13 days average annual revenue from operations
Unbilled revenue	We have assumed approximately one month's revenue from operations earned but not invoiced as of the last day of the month
Advance Income Tax / TDS Receivable	Relates to TDS (withholding tax) deducted by clients from our invoices and we have assumed approximately 19 days average annual revenue from operations at any point of time
Trade payables	We have assumed three days average annual revenue from operations
Other payables and accruals	We have assumed approximately 38 days average annual revenue from operations

Justification for holding period levels

Particulars	Details
Inventories	Inventory days are computed from the historic Restated Standalone Financial Information and are expected to remain unchanged
Trade receivables	Receivables days are computed from the historic Restated Standalone Financial Information and are expected to remain unchanged
Other loans and advances	Other loans and advances are computed from the historic Restated Standalone Financial Information and are expected to increase based on expected business growth
Unbilled revenue	Unbilled revenue is computed from the historic Restated Standalone Financial Information and is expected to grow in line with expected business growth
Advance Income Tax / TDS Receivable	Advance Income Tax / TDS Receivable is expected to grow in line with expected business growth. Holding levels for Advance Income Tax / TDS Receivable is computed from the historic Restated Standalone Financial Information and is expected to remain unchanged
Trade payables	Trade payables is expected to grow in line with expected business growth. Holding levels for trade payables is computed from the historic Restated Standalone Financial Information and is expected to remain unchanged
Other payables and accruals	Other payables and accruals is expected to grow in line with expected business growth. Holding levels for other payables and accruals is computed from the historic Restated Standalone Financial Information and is expected to remain unchanged
Provision for taxation	We expect that this will increase in line with expected business growth

We propose to utilise our existing working capital facilities, internal accruals and ₹ 600 million from the Net Proceeds in Fiscal 2018 towards our working capital requirements for meeting our future business requirements.

Our Statutory Auditors, have by a certificate dated July 8, 2017, certified the working capital requirements of our Company.

3. General Corporate Purposes

We, in accordance with the policies set up by our Board, will have flexibility in utilizing the balance Net Proceeds of the Fresh Issue for general corporate purposes, subject to such utilisation not exceeding 25% of the gross proceeds of the Fresh Issue in accordance with Regulation 4(4) of the SEBI ICDR Regulations, including but not restricted towards strategic initiatives (including inorganic growth), upgradation of our technology platform, investment in subsidiaries and strengthening of our marketing capabilities. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ 504.82 million. The Offer related expenses include fees payable to the GCBRLMs, the BRLMs and legal counsel, fees payable to the auditors, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All Offer related expenses (other than listing fees) shall be shared by our Company and the Selling Shareholders in proportion to the number of Equity Shares being issued or offered, as the case may be, by each of them in the Fresh Issue and the Offer for Sale, in accordance with applicable law. Any payments by our Company in relation to the Offer on behalf of the Selling Shareholders shall be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by each of the Selling Shareholders in the Offer.

The estimated Offer expenses are as under:

S. No.	Activity	Estimated amount (₹ in million) #	As a % of total estimated Offer Expenses	As a % of Offer Size#
1.	Payment to GCBRLMs and the BRLMs	259.01	51.31	3.32
2.	Selling commission and processing fees for SCSBs (1)(3)	14.82	2.93	0.19
3.	Brokerage, selling commission and bidding charges for the Members of the Syndicate, Registered Brokers, RTAs and CDPs (2) (3)	12.42	2.46	0.16
4.	Fees payable to the Registrar to the Offer	0.66	0.13	0.01
5.	Others: i. Listing fees, SEBI filing fees, book building software fees and other regulatory expenses; ii. Printing and stationery expenses; iii. Advertising and marketing for the Offer; and iv. Miscellaneous	217.91	43.17	2.80
	Total Estimated Offer Expenses	**504.82**	**100.00**	**6.48**

 # Subject to finalisation of the Basis of Allotment.

(1) SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable service tax) per valid ASBA Form, for processing the ASBA Forms procured by the members of the Syndicate, the Sub-Syndicate Members, the Registered Brokers, RTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs for blocking.

Selling commission payable to the SCSBs on the Bids directly procured by them from Retail Individual Bidders and Non-Institutional Bidders, under the Retail Portion and the Non-Institutional Portion, respectively, would be as follows:

Retail Portion	0.35% of the Amount Allotted* (plus applicable service tax)
Non-Institutional Portion	0.20% of the Amount Allotted* (plus applicable service tax)

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

No additional uploading charges shall be payable to the SCSBs on the ASBA Forms directly procured by them.

(2) Registered Brokers will be entitled to a commission of ₹ 10 (plus applicable service tax) per valid ASBA Form which are directly procured by the Registered Brokers from Retail Individual Bidders and Non-Institutional Bidders, under the Retail Portion and the Non-Institutional Portion, respectively and submitted to the SCSBs for processing.
(3) Selling commission payable to Members of the Syndicate, the Sub-Syndicate Members, RTAs and CDPs on Bids directly procured by them from Retail Individual Bidders and Non-Institutional Bidders, under the Retail Portion and the Non-Institutional Portion, respectively, would be as follows:

Retail Portion	0.35% of the Amount Allotted* (plus applicable service tax)
Non-Institutional Portion	0.20% of the Amount Allotted* (plus applicable service tax)

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

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of ₹ 10 (plus applicable service tax) per valid ASBA Form for applicationswhich are directly procured by them and submitted to SCSBs for processing. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

Appraisal and Bridge Loans

The above fund requirements have not been appraised by any bank or financial institution.

Apart from the Piramal Facilities, as detailed in "- *Pre-payment of indebtedness incurred for acquisition of Dusters*" on page 133, our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

Means of Finance

There are no fund requirements towards capital expenditure and hence Regulation 4(2) of the SEBI ICDR Regulations is not applicable to the Offer. The working capital requirements will be met through the Net Proceeds (to the extent of ₹ 600 million) and identifiable internal accruals and bank borrowings (including limits available after repayment of working capital loans).

Interim Use of Net Proceeds

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or IPO Committee. In accordance with Section 27 of the Companies Act, 2013, we confirm that we shall not use the Net Proceeds (or any part thereof) for buying, trading or otherwise dealing in any shares of any listed company or for any investment in equity markets.

Monitoring of Utilization of Funds

We have appointed Yes Bank Limited as the Monitoring Agency for the Offer. Our Board and the Monitoring Agency will monitor utilization of the Net Proceeds and the Monitoring Agency will submit a report to us under Regulation 16(2) of the SEBI ICDR Regulations.

Pursuant to the SEBI Listing Regulations, our Company shall also, on a quarterly basis disclose to the Audit Committee, the use and application of the Net Proceeds. Additionally, our Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate.

Further, in terms of Regulation 32(3) of the SEBI Listing Regulations, our Company will furnish a quarterly statement to the Stock Exchanges indicating material deviations, if any, in the use of proceeds from the objects stated in this Prospectus. This information shall be furnished to the Stock Exchanges along with the interim or annual financial results and would be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Directors, Key Management Personnel and the members of our Promoter Group or Group Companies. However, the Promoter Selling Shareholders and some of the Key Management Personnel who are Selling Shareholders (namely, Uday Singh and Brajesh Kumar) will receive a portion of the proceeds of the Offer for Sale, net of their respective share of Offer Expenses pursuant to sale of the Equity Shares being offered by them through the Offer for Sale. Additionally, Jayanta Kumar Basu, our nominee Director is a beneficiary of AAJV, and hence, is interested in a portion of the proceeds of the Offer for Sale received by AAJV.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue, unless authorised by our shareholders in a general meeting by way of a special resolution. Additionally, the notice in respect of such resolution issued to the shareholders shall contain details as prescribed under the Companies Act, 2013 and such details of the notice, clearly indicating the justification for such variation, shall also be published in one English and one Hindi newspaper (Hindi being the vernacular language in the city where the registered office of our Company is situated), as per the Companies Act, 2013 and the rules framed there under. Pursuant to the Companies Act, 2013, our Promoter or controlling shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, in accordance with our Articles of Association and Chapter VI-A of the SEBI ICDR Regulations.

BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and BRLMs on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is ₹10 each and the Offer Price is 81.5 times of the face value of the Equity Shares.

Qualitative Factors

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

1. Diverse portfolio of private security and facility management services;
2. Leader in providing security services in India and Australia;
3. Second largest cash logistics service provider in India;
4. Leading position in facility management services in India;
5. Widespread and integrated branch network in India;
6. Diverse customer base;
7. Established systems and processes leading to a scalable business model; and
8. Experienced management and operational team

For further details, see "*Our Business*" and "*Risk Factors*" on pages 181 and 20, respectively.

Quantitative Factors

The information presented below relating to our Company is based on the Restated Consolidated Financial Statements and Restated Standalone Financial Statements prepared in accordance with Indian GAAP, the Companies Act, 1956 and the Companies Act, 2013 and restated in accordance with the SEBI Regulations.

For details, see section "*Financial Statements*" on page 287.

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

1. Basic and Diluted Earnings/Loss per Share ("EPS")

As per our Restated Standalone Financial Statements:

Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2017	3.87	3.79	3
March 31, 2016	4.93	4.91	2
March 31, 2015	3.62	3.62	1
Weighted Average	**4.18**	**4.14**	

As per our Restated Consolidated Financial Statements:

Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2017	13.29	13.03	3
March 31, 2016	11.2	11.09	2
March 31, 2015	9.21	9.2	1
Weighted Average	**11.91**	**11.75**	

Note:

1. *Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.*
2. *The face value of each Equity Share is ₹10.*

3. *Basic Earnings per share = Net profit/(loss) after tax, as restated attributable to equity shareholders / Weighted average number of shares outstanding during the period or year*
4. *Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year*
5. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.*
6. *The above EPS are after taking into account the impact of the dilutive effect of conversion of CCDs and outstanding stock options.*

2. Price Earning Ratio (P/E) in relation to the Offer price of ₹ 815 per Equity Share of the face value of ₹10 each

Particulars	As per our Restated Standalone Financial Statements	As per our Restated Consolidated Financial Statements
P/E ratio based on Basic EPS for the financial year ended March 31, 2017 at the Offer Price:	210.59	61.32
P/E ratio based on Diluted EPS for the financial year ended March 31, 2017 at the Offer Price:	215.04	62.55

Industry P/E ratio

We have a diverse portfolio of business support services which includes security services, cash logistics services and facility management services. While we believe that there is no listed company which is exclusively engaged in a portfolio of businesses similar to ours, there is, however, only one other business service provider listed in India i.e. Quess Corp Limited.

a. P/E of Quess Corp Limited calculated on a standalone basis is 120.52
b. P/E of Quess Corp Limited calculated on a consolidated basis is 95.74

Note:

P/E figures for the peer is computed based on closing market price as on July 6, 2017, of Quess Corp Limited as ₹ 884.65 available at NSE, (available at www.nseindia.com) divided by Basic EPS as ₹ 9.24 on consolidated basis and ₹ 7.34 on standalone basis for Fiscal Year 2017, based on audited Ind-As financials reported to stock exchanges.

3. Return on Net Worth (RoNW)

Return on net worth as per Restated Standalone Financial Statements:

Period/Year ended	RONW (%)	Weight
March 31, 2017	15.5	3
March 31, 2016	26.23	2
March 31, 2015	20.23	1
Weighted Average	**19.87**	

Return on net worth as per Restated Consolidated Financial Statements:

Period/Year ended	RONW (%)	Weight
March 31, 2017	16.81	3
March 31, 2016	16.85	2
March 31, 2015	15.79	1
Weighted Average	**16.65**	

RoNW (%) = Net profit after tax (after preference dividend and related tax), as restated

Net worth at the end of the year excluding preference share capital and cumulative preference dividend

4. Minimum Return on Total Net Worth after Offer needed to maintain pre-Offer EPS for the financial year ended March 31, 2017

a) For Basic EPS

Particulars	Standalone (%)	Consolidated (%)
At the Offer Price	5.31	10.74

b) For Diluted EPS

Particulars	Standalone (%)	Consolidated (%)
At the Offer Price	5.20	10.53

5. Net Asset Value (NAV) per Equity Share

NAV	Standalone (₹)	Consolidated (₹)
As on March 31, 2017	24.94	79.05
After the Offer		
- At the Offer Price	72.94	123.75
Offer Price		815

Notes:

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

6. Comparison with listed industry peers

We have a diverse portfolio of business support services which includes security services, cash logistics services and facility management services. While we believe that there is no listed company which is exclusively engaged in a portfolio of businesses similar to ours, there is, however, only one other business service provider listed in India i.e. Quess Corp Limited, which is mentioned in the peer group companies as below:

Name of the company	Total Revenue (₹ in million)	Face Value per Equity Share (₹)	P/E	EPS (Basic) (₹)	Return on Net Worth (%)	Net Asset Value/ Share (₹)
Company*	45,771.22	10	61.32	13.29	16.81	79.05
Peer Group						
Quess Corp Limited**	41,726.12	10	95.74(3)	9.24	13.55(1)	66.02(2)

* *Based on Restated Consolidated Financial Statements as on and for year ended March 31, 2017*
** *Based on audited consolidated Ind-As financials as on and for year ended March 31, 2017 as reported to stock exchanges;*

Notes:

(1) *RoNW (%) = Net profit after tax excluding other comprehensive income / Net worth at the end of the year.*

(2) *Net Asset Value per Equity Share represents Net worth at the end of the year / Total number of equity shares outstanding at the end of year.*

(3) P/E figures for the peer is computed based on closing market price as on July 6, 2017, of Quess Corp Limited as ₹ 884.65 available at NSE, (available at www.nseindia.com) divided by Basic EPS for FY 17(on consolidated basis) as ₹ 9.24

The Offer Price of ₹ 815 has been determined by our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and BRLMs on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, the Investor Selling Shareholders, GCBRLMs and BRLMs believe that the Offer Price of ₹ 815 is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*" and "*Financial Statements*" on pages 20, 181 and 287, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "*Risk Factors*" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

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

8 July, 2017

The Board of Directors
Security and Intelligence Services (India) Limited
Annapoorna Bhawan
Patliputra, Kurji
Patna 800010

Dear Sirs,

Sub: Statement of possible Special tax benefit ('the Statement') available to Security and Intelligence Services (India) Limited and its shareholders prepared in accordance with the requirements under Schedule VIII Part A Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the 'Regulations')

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

The amendments in the Finance Act, 2017 have been incorporated to the extent relevant in the enclosed annexure.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

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

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

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

The enclosed annexure is intended solely for your information and for inclusion in the Red Herring Prospectus/ Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For A. Mitra & Associates
Chartered Accountants
Firm Registration No.: - 005268/C

A. K. Mitra
Partner
Membership No. 015230

Place: New Delhi

ANNEXURE

Statement of Possible Special Tax Benefits available to the Company & its Shareholders under the Income tax Act, 1961 ('Act'), the Wealth Tax Act, 1957 and the Gift Tax Act, 1958, presently in force in India

I. Benefits available to the Company under the Income-Tax Act, 1961 ("the Act"):

Under Section 80JJA of the Act, as amended by the Finance Bill 2016, a deduction is available in respect of additional employee cost to assessees in all sectors with effect from Assessment Year 2017-18 provided that the gross total income of the assessee includes any profits and gains derived from business, irrespective of sector, and the assessee is liable to tax audit. The section also defines 'Additional employee' as an employee who has been employed during the previous year and whose employment has the effect of increasing the number of employees employed by the employer as on the last day of the preceding year. Other conditions to be satisfied in respect of additional employee are:

- Total emoluments to such employee should not exceed INR 25,000 per month (meaning of 'emoluments' set out below);
- Entire contribution under pension scheme of such employee should not be paid by the Government;
- Such employee is to be employed for 240 days or more in the relevant previous year; and
- Such employee participates in a recognised provident fund

Accordingly, a deduction from gross total income is available to the Company to the extent of 30% of additional employee cost incurred in the course of business in the previous year, for 3 assessment years including the assessment year relevant to the previous year in which such employment is provided

II. Benefits available to the Shareholders under the Income-Tax Act, 1961 ("the Act"):

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

For A. Mitra & Associates
Chartered Accountants
Firm Registration No.: - 005268/C

A. K. Mitra
Partner
Membership No. 015230
Place: New Delhi

SECTION IV – ABOUT THE COMPANY

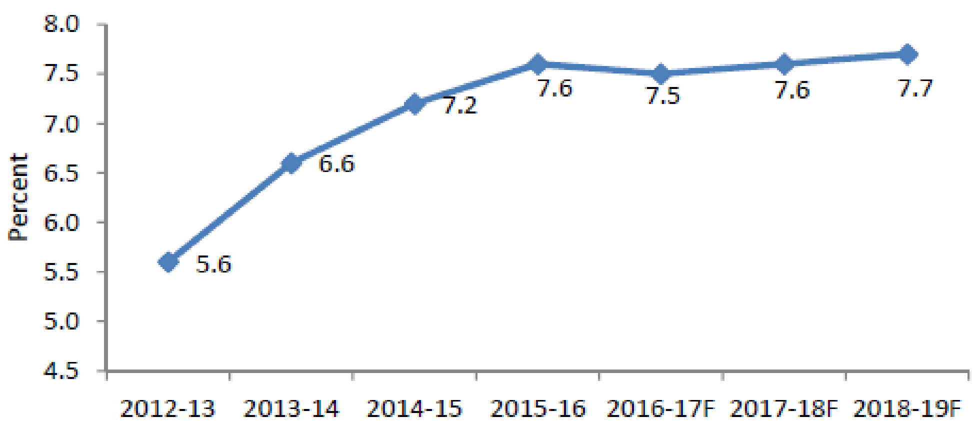
INDUSTRY OVERVIEW

*Unless specified otherwise, the information contained in this section is derived from the Frost & Sullivan report titled "Assessment of Security Services and Facilities Management Markets in India" dated September 16, 2016, as updated by a report titled "2017 Update of Security Services and FM Market" dated July 6, 2017 (the "**F&S Report**") and Freedonia report titled "Australia Security Services" dated September 6, 2016, as updated by a report titled "Australian Security Services – Updated Guidance" dated July 6, 2017 (the "**Freedonia Report**") both of which were commissioned by our Company. Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

I. OVERVIEW OF THE INDIAN ECONOMY

The Indian economy has been on a steady expansionary path for the last few years, with the country's gross domestic product ("**GDP**") growing at 7.60% in Fiscal Year 2016, up from 5.60 % in Fiscal Year 2013. India is expected to remain the fastest growing major economy and become the fifth largest economy in the world by Fiscal Year 2020.

The following graph depicts the percentage of annual real GDP growth between Fiscal Years 2013 and 2016, and forecast of growth up until Fiscal Year 2019:

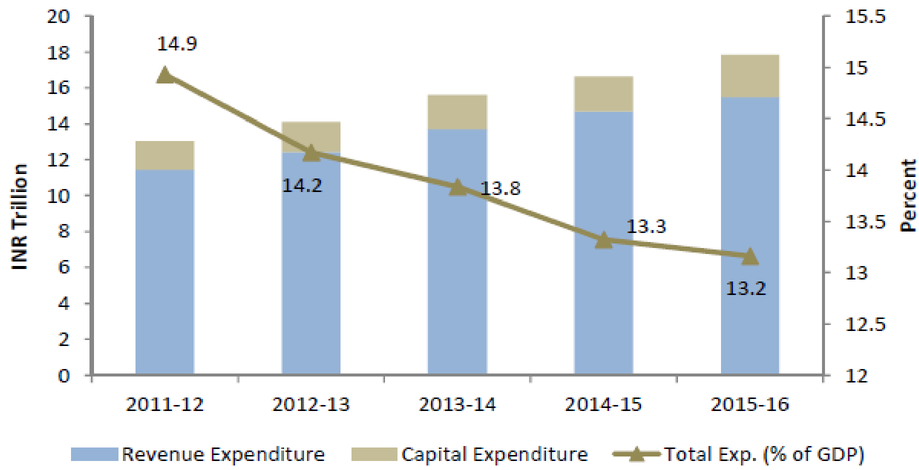


Note: F- Forecasts
(Source: F&S Analysis - Ministry of Statistics & Programme Implementation, IMF)

Strong economic fundamentals, a narrow current account deficit, development in the manufacturing sector and steady private consumption have allowed India to become one of the fastest growing economies in the world. This growth is likely to be supported by the ease in inflationary pressures as a result of the recent fall in global commodity pricing, supply-side reforms and astute food management by the government.

The economic climate in India has further been characterized by increased public sector spending that has increased at a compound annual growth rate ("**CAGR**") of 8.30% during the period between Fiscal Year 2012 to Fiscal Year 2016.

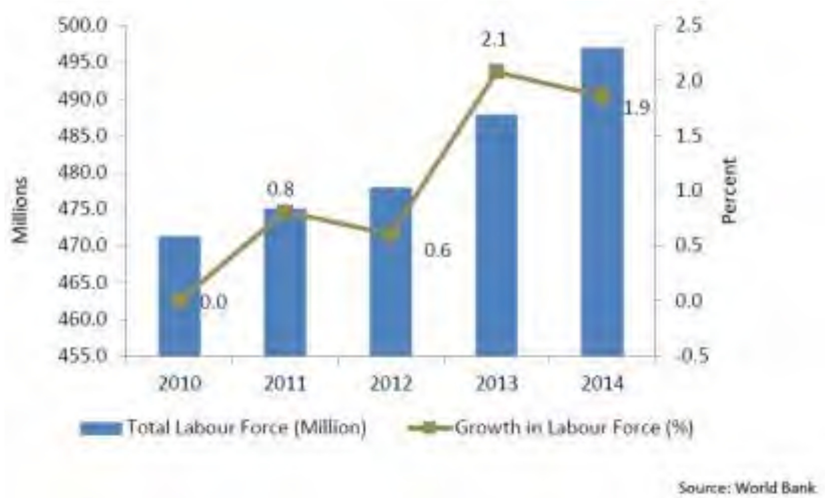
The following graph depicts annual government expenditure in India as a percentage of GDP over the years:



Labor Force in India

India's population has grown to 1.31 billion at a CAGR of 1.30% between Fiscal Years 2010 to 2015, becoming the second largest population in the world, with a relatively young demographic profile and median age of 27 years. Despite a slowing in the growth of the labour force in Fiscal Year 2014, the policy focus on raising the gross enrollment ratio in secondary and higher education suggests that the number of people entering the workforce is expected to rise substantially. Going forward, the Indian labour force is expected to increase by 24.5 million in the '15 years and above' age group, to 502.4 million by the end of Fiscal Year 2017 according to the Twelfth Five Year Plan of the Planning Commission of India. Demographic trends also highlight India's relatively young labour force, with 47% of the country being under the age of 25, a trend that, according to IMF projections, will create the potential to produce an additional 2.00% per capita GDP growth each year for the next 20 years.

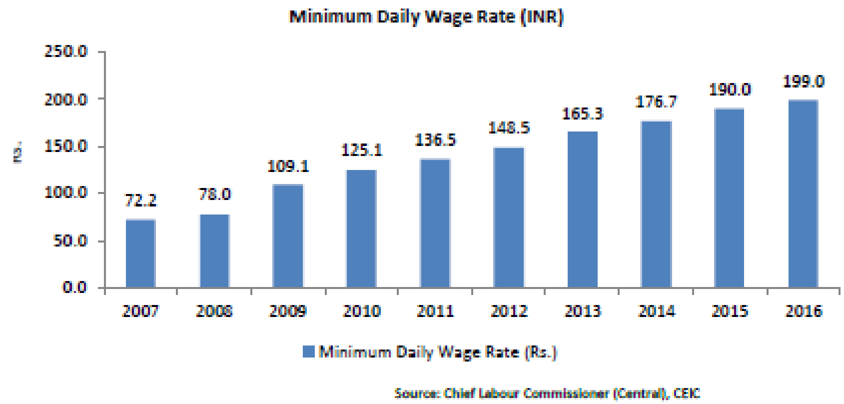
The graph below depicts the increase in the labour force in India in Fiscal Years 2010 to 2014:



Minimum Wage Growth Rate in India

Government stipulated minimum wages have grown at a CAGR of 11.92% during the period between Fiscal Year 2007 to Fiscal Year 2016. On annual basis, the hike in wages in Fiscal Year 2016 at 4.70% was the lowest in the last 10 years.

The graph below displays a change in the minimum daily wage rate in Fiscal Years 2007 to 2016:

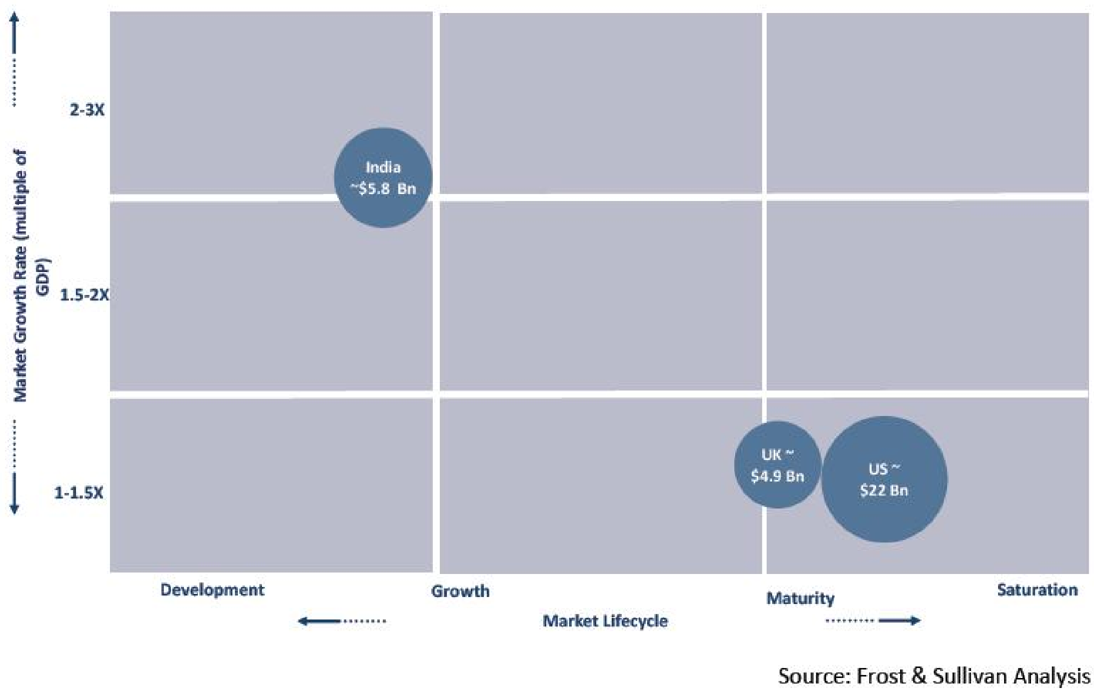


II. SECURITY SERVICES IN INDIA

Market Size and Historical Growth

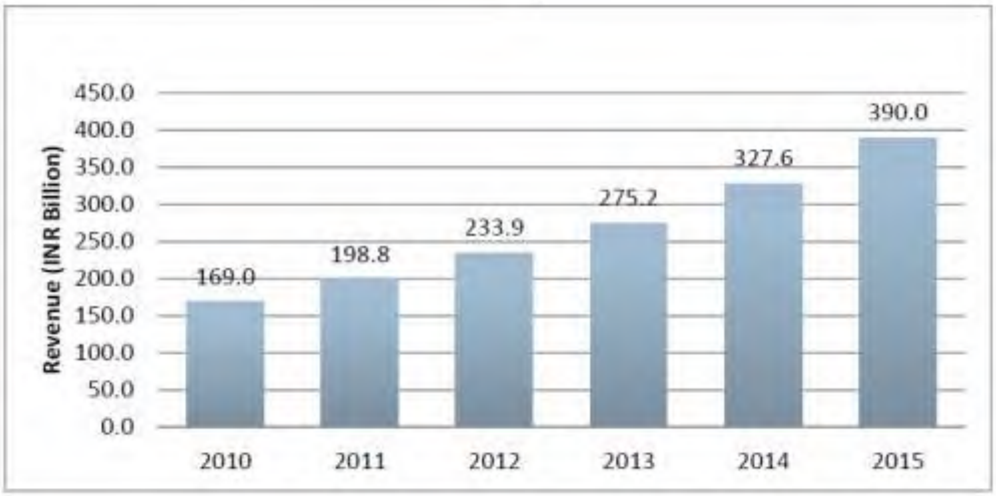
The security services market in India is witnessing high growth due to an improved economic environment, increasing concerns about crime, terrorism, inadequate public safety measures and urbanisation.

A comparative chart of the growth of security services markets in India, United Kingdom and United States of America is as follows:



The urban population is growing and is estimated to reach 590 million in Fiscal Year 2030. Due to this mass migration of people from semi-urban and rural areas to cities, up to 75.00% of India's GDP will be attributed to the contribution of urban areas by Fiscal Year 2021. Due to urbanization, there is greater emphasis on building sustainable infrastructure and incorporating efficient mechanisms for service delivery to citizens. Safety and security has played and will continue to play a key role in urban design and planning.

The market for security services in India was ₹169.00 billion in Fiscal Year 2010 and grew at the rate of about 18.20% CAGR to reach ₹390.00 billion in Fiscal Year 2015. The graph below displays historic growth of the security services market in India between Fiscal Years 2010 and 2015:



Source: Frost & Sullivan Analysis

Industry Operations

Leading market participants in security services have a presence across India while simultaneously providing services at local levels. Branches that manage operational delivery also serve as recruitment and training centers. In most cases, regional offices are the decision-making authorities. In some cases, however, leading companies have centralized contracts with large customers to provide guards across locations. Such contracts, while better for administrative control and cost-optimization, are not common due to the customers' preference to have control over the contracts.

The security services industry usually works on a credit period of 60 to 90 days from date of completion of services. Many of the smaller operators pay wages only when they receive payments from the customers while most of the larger national players pay wages on a monthly basis. Therefore, the security company has to organize substantial bank loans or funds to meet monthly wage payments and service tax compliance. In addition, security services is a low margin, high volume business. All of these reasons make the security services industry a working capital intensive business. This operating model is not expected to undergo any evolution in the next few years.

The primary costs for companies include manpower-related expenses including salaries, Employees' Provident Fund ("**PF**") and insurance. For the organized sector, pricing for security services is largely dependent on the minimum wages prescribed in each state. Organized companies adhere strictly to the norms related to PF and Employees' State Insurance Act ("**ESI**") and these norms are directly linked to minimum wage payment obligations. According to Frost & Sullivan's discussions with organized security service providers, pricing has increased at an average rate of 8.00% to 10.00% over the last five years. However, lately, there has been a significant increase in the wages by up to 50.00% in a few big cities including Bengaluru due to the higher cost of living, benefits to retain guards and cost of compliance with human resources and labour statutes. Since unorganized companies do not comply strictly with labour laws, their pricing is more market driven and is low. A more stringent enforcement of labour laws and the increasing cost of compliance will put pressure on the unorganized service providers and work in favor of organized companies.

The industry faces high attrition rates, but that does not mean the guards are exiting the industry. When a large contract is lost or expired, the guards already employed in that establishment will be absorbed into the payrolls of the company that wins or takes over the contract. This is a common business practice in the Indian security services market.

End User Segments

Increased maturity of end users has however resulted in significant market penetration of security services. Until recently, security services were largely perceived to be in the area of business to business ("**B2B**") services and were adopted in private establishments. Now, security services are increasingly being offered to consumers and residential ("**B2C**"), and to government ("**B2G**") services as well.

The chart below displays end-user classification for the security services market in India:

Type of Customer Segment	End-users Included
B2B	Private commercial office, private educations institutions, Hotels, Hospitals, IT&ITES, BFSI etc.
B2G	Government offices, Research and Educational Institutes (CLRI, CPRI, IITs, IIMs etc), Housing Colonies for Government Staff, Aviation, Metros etc.
B2C	Bunglows, Row Houses, Condominiums, Large apartment complexes

Source: Frost & Sullivan Analysis

The primary end-user segments for security services are the IT and ITES sectors, industrial, banking, financial services and insurance sectors. Together, these segments constitute approximately 80.00% of the total business of organized companies and have adopted global best practices in terms of security services, with high quality control for deployed guards. Organized industry participants cater to these segments chiefly due to their clear emphasis on compliance.

Sensitive infrastructure assets such as airports and metro stations are increasingly employing private security guards at their premises to mitigate the shortage of government security forces. Delhi, Mumbai, Cochin, Hyderabad, Bangalore, and Nagpur airports all have their own private security forces.

Retail and residential sectors (apartment complexes, high-rise residential units, communities, among others) are also important end-user segments for the security services market. Both organized companies and unorganized companies participate in this sector. However, the unorganized sector tends to gain a competitive advantage because of cost-sensitiveness of customer, location and the nature of services demanded. Similarly, small manufacturing units utilize unorganized service providers due to remoteness of factories and warehouses and the scope for non-adherence to statutory norms.

The commercial sector is expected to continue driving the growth for the security services market. A rise in mid and high-level incomes will help boost the retail and residential space in the country. Similarly, the 'Make in India' initiative of the Indian government, aimed at increasing the manufacturing sector's contribution to 25.00% of the Indian GDP by 2020, is expected to boost the manufacturing industry. This initiative is expected to prop up industrial infrastructure such as industrial parks, national investment and manufacturing zones, sector specific clusters, and industrial and economic corridors leading to increased need for security.

Competitive Landscape

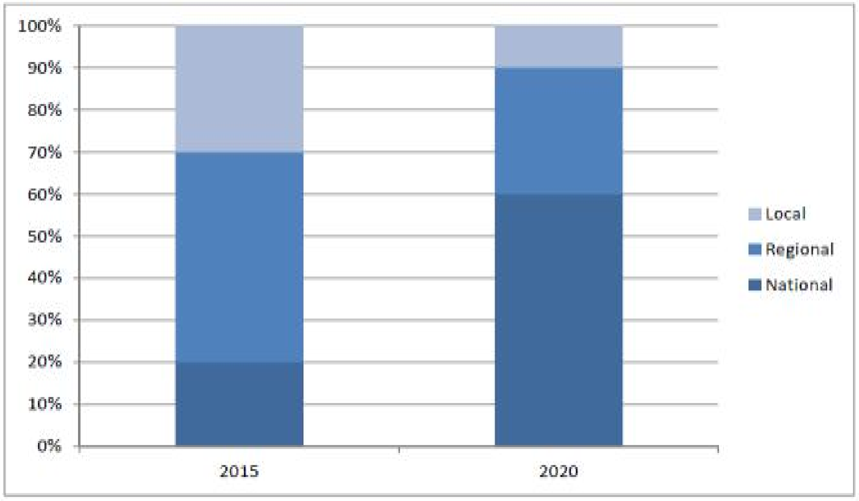
The security services market is highly fragmented and consistent growth in demand has led to the entry and expansion of competition. National operators currently represent about 20.00% of the market revenues and other regional and local operators constitute the remaining 80.00%. However, if GST is mandated and enforcement of PSARA becomes stricter, the share of national operators is going to improve and other local operators may exit due to increase in cost of compliance. By Fiscal Year 2020, national and regional operators are likely to dominate close to 90.00% of the market in India.

The following chart displays the competitive landscape for the security services market in India for the Fiscal Year 2015:

Type of Competition	Number of companies operating in the category	Operational Information	Revenue Range
National Operators	10	>20,000 manpower Operates in more than 10 states	>INR 3000 million
Regional Operators	100	~10,000 manpower Operates in few cities or less than 5 states	INR 1000 – 3000 million
Local Operators	~15000	NA	NA

Source: Frost & Sullivan Analysis

National operators are expected to increase their share of the security services market in India between Fiscal Years 2015 to 2020, as follows:



The top competitors in the market, organized by historical revenues were as follows (Source: Frost & Sullivan):

Company Names	FY 2015	FY 2016
G4S Security Services (India) Pvt. Ltd	INR 21,320.0 Million	INR 23,500.0 Million
Security and Intelligence Services (India) Pvt. Ltd	INR 12,500.0 Million	INR 15,500.0 Million
Bombay Intelligence Security (India) Ltd (BIS)	INR 4,990.0 Million	INR 5,410.0 Million
ISS Support Services Pvt. Ltd	-	INR 4,900.0 Million
Checkmate Services Pvt. Ltd	INR 4,600.0 Million	INR 4,870.0 Million
Securitas India	INR 3,240.0 Million	INR 4,250.0 Million
NISA Global	INR 3,040.0 Million	INR 4,010.0 Million
Orion Security Solutions Pvt. Ltd	INR 1,180.0 Million	INR 2,080.0 Million

Several factors favor organized participants, including:

- *Compliance Assurance*: the enforcement and ensuing compliance with regulation such as minimum wages, insurance, gratuity payments, among others;

- *Quality Assurance*: increasing end-user demands that restrict the growth of unorganized companies. For example, mature sectors like IT and high-end commercial offices demand compliance with regulations along with guards who can speak English and the local language, with basic computer skills to operate high end security systems in the premises;

- *National Network*: having a pan-Indian presence that is a prerequisite for large corporate houses and customers who demand national level contracts that allow the same company to deploy guards at all locations across the country. A large geographical footprint allows organized companies to bid for larger contracts involving multiple locations in multiple cities;

- *Experience in Specific Segments*: having experience in specific segments. Customer segments like hotels and government institutions typically require prior experience from companies. Large and organized security services companies have experience in difference sectors and therefore gain a competitive edge. Large office spaces, residential communities and retail malls require a high number of guards from a single agency, making these spaces difficult for penetration by unorganized companies. The deployment of smart technologies such as sensors and video profiling also lead to the preferential hiring of organized companies with the capability to train guards to operate and monitor security equipment, handle threats and deal with emergency situations; and

- *Financial Strength*: strong cash flow management that is especially critical due to taxation and credit issues.

Current organized sector players face industry challenges such as:

- strong unorganized sector;
- lack of quality manpower that results in a demand-supply gap in terms of quality;
  the increasing demand to improve the quality of services combined with the cost-conscious attitude of the customer that puts pressure on the pricing of services; and
  a lack of common standards and protocols, ranging from ambiguity in regulation concerning the license to own arms to the varying operating requirements for police verifications and the processing of applications.

Key Demand Drivers

Increasing economic activity and GDP growth leading to need for improved security

The security services market in India is dependent on the growing segments of manufacturing and services. Manufacturing and services sector contribution to the Indian GDP grew at a CAGR of 8.50% and 15.40% respectively, between Fiscal Years 2012 and 2015. With increased economic activity, business establishments are increasing their budgets for safety and security. Contribution of security services to India's GDP has consistently increased indicating that the security services market is outpacing the growth of GDP. Positive outlook for GDP is expected to drive the growth of demand for security services.

Growth in Wages

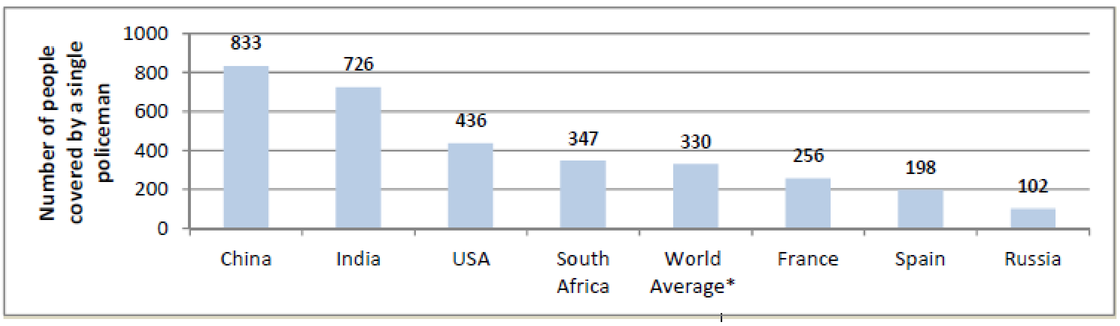
Annual increase in wages of security guards is a key driver in the growth of the security services industry. The government of India stipulated minimum daily wages grew at a CAGR of 11.90% during the period between Fiscal Years 2007 to 2016. This hike in minimum wages alone provides around 8% growth for the market. Industry participants are of the opinion that that prices are growing by 8.00%-10.00%, which is almost in line with the growth in minimum wages. Coupled with the year-on-year wage increase, the overall cost of compliance with PSARA and cost of training needs are expected to go up that will impact the billing rate for security services. The introduction of PSARA brought all private security agencies under government control. The central government drafted the law and state governments were responsible for its implementation and enforcement. PSARA was a key driver favoring organized participants by mandating agencies to undergo certain mandatory training to impart professionalism in the market.

Increased threat from anti-social elements and terrorist outfits

The growing status of India in global politics has also resulted in increased threats from anti-social elements and terrorist outfits. In the last decade, the country has witnessed several security breaches. Such threats have influenced the demand for private security agencies to fill the security gaps in both private and government establishments.

Societal perception on threats and awareness on security

India has the world's lowest police to population ratio. There is an opportunity for private security services to supplement the efforts of government forces like police and central industrial security force (CISF). The total police strength in India is about 1.72 million for a population of 1.25 billion. This translates to a ratio of 1 policeman for every 726 people. The ratio is far lower than the government sanctioned ratio of 1 officer for every 547 Indians as well as the United Nation's recommended strength ratio of 1 police officer for every 450 people, as demonstrated below:



Asset Creation – Real estate growth

The demand for office space in India was 26.00 million sq. ft. in Fiscal Year 2015 and is expected to reach 28 million sq. ft. in 2016 in eight major cities (Chennai, Hyderabad, Mumbai, Kolkata, NCR, Bengaluru, Pune, and Ahmedabad) mainly due to demand from IT/ITeS, BFSI, e-Commerce, telecom, healthcare companies, and startups. The demand for office space in the eight major cities is expected to grow at a CAGR of 11.10% by Fiscal Year 2020.

Asset Creation – Infrastructure growth

With the government going ahead with its initiative of developing 100 smart cities, the demand for security services could witness significant growth. India's smart cities could be the nodes of the industrial corridors such as Delhi-Mumbai Industrial Corridor, the Chennai-Bangalore Industrial Corridor and the Bangalore-Mumbai Economic Corridor**.**

Premiumization and hybrid solutions

The need to protect assets being built in India using high-tech surveillance and intrusion detection devices supplemented by competent security services is a required security solution in India. The advent of electronic security systems is not detrimental to the growth of security services. This is a premiumization of offerings for organized market participants to capitalize on the technological innovations in security applications as end users are recognizing the benefits of incorporating an efficient video surveillance system manned by competent guards who can properly operate and monitor technological systems like fire detection, and suppression systems, video surveillance, perimeter intrusion detection, and access control.

Key Regulatory Developments

Goods and Service Tax

According to Frost & Sullivan, the advent of Goods and Services Tax (GST) in India is expected to bring in transparency through amplifying tax base, as clients are expected to use formal banking channels to pay for their manpower requirements as opposed to the current payment practices done through cash payments to unorganized players. This move is expected to expedite the successful transformation of unorganized players to become more organized.

The Finance Act, 2016

The Finance Act, 2016 has introduced section 80JJAA to the Income Tax Act, 1961, to improve employment opportunities in India. Frost & Sullivan expects this will favorably impact the manned guarding services market in India. The introduction of section provides the benefit of deduction of 30% of the total incremental expense on new employees added during the year, while the minimum employment period during the year has been reduced from 300 days to 240 days. The deductions can only be availed by companies that pay their employees through formal banking channels and are contributing to a recognized provident fund.

Labour Law Policies

The Government changed the categorization of security guards from “unskilled” to “skilled” workers and armed security guards and supervisors as “highly skilled” workers by way of a notification on notification on January 19, 2017. This notification will be applicable to all central government contracts and also any other sectors or companies that follow central minimum wage guidelines. This will entitle such guards to minimum monthly wages of ₹15,000 and ₹25,000, respectively. The notification is expected to bring enhanced wages to over 5 million security personnel in India who are currently engaged in the private security space.

Industry Growth Forecast

The security services market in India is likely to grow at the rate of 20.00% between Fiscal Years 2015 and 2020 and achieve market revenues around ₹970,400.00 million, as follows:

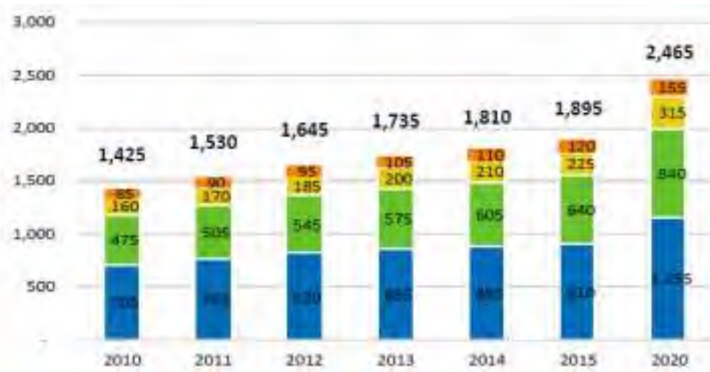
Tier II and Tier III cities are likely to see fast tracked growth for these services because of increased economic activity in those regions. Increasing importance to statutory compliance has a significant impact on the growth forecast of the overall growth expected. As more and more companies fall under the regulatory ambit and comply with employee norms, the market is expected to become more organized. Increasing penetration of security services in B2C and B2G segments will further help in accelerating growth in market revenues as new customers would be added. Initiatives such as smart cities will increase the emphasis on safety and security.

III. SECURITY SERVICES INDUSTRY IN AUSTRALIA

Market Size and Historical Growth

Security services are defined as guarding and associated security services, such as static guarding, mobile patrols, alarm response, event management, aviation/maritime screening, concierge services, loss prevention and VIP protection.

The following chart displays the growth in Australian security services between Fiscal Years 2010 and 2015 and the forecasted growth between Fiscal Years 2015 and 2020 as well as key end-user segments *(in USD millions)*:



CAGR	15/10	20/15
Total	5.8%	5.4%
Commercial & Industrial	5.2%	4.9%
Government & Institutional	6.0%	5.6%
Aviation	7.4%	6.8%
Other	6.6%	5.2%

Source: Freedonia Custom Research

End User Segments

Commercial and Industrial. The largest market for security services in Australia were the commercial and industrial sectors, including mining, retail, office, financial institutions and other commercial buildings that accounted for 48.00% of security services revenue in Fiscal Year 2015. Growth in the commercial sector was driven by moderate growth rates (about 2.00% per year on average) in office, retail and other commercial space, as well as the trend of outsourcing non-core operations such as security in order to gain more highly trained guards who can manage new security technology.

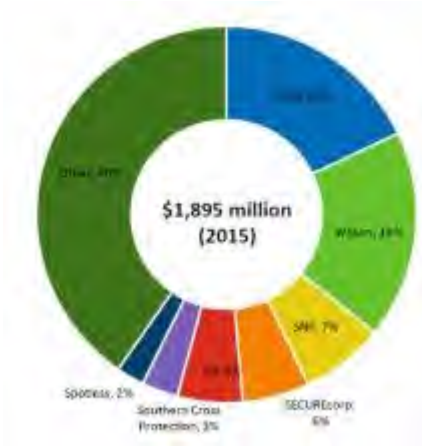
The industrial segment was bolstered by rapid growth in the mining segment from 2010 to 2012, as global demand for commodities spurred rapid increases in production. Recent weakness in global commodity prices has caused a rapid drop off in production, hurting demand for security services.

Government and Industrial. The government and institutional sector (including primary and secondary schools; higher education; hospitals; state, local and federal governments; and defense accounts) represented 34% of the Australian security services market in Fiscal Year 2015. Demand was segmented as follows in Fiscal Year 2015: government (USD 375.00 million), defense and related (USD 150.00 million) and institutional (USD 115.00 million). In March 2015, the Australian government announced plans to boost security spending (for guards and cameras) by USD 13.50 million over three years at 54 schools around Australia, half of which have a Jewish or Islamic religious affiliation. Although this value reflects only a 0.50% increase to the institutional market sector, it does indicate future increased funding for security in institutional establishments. Hospitals warn that rising assault statistics, due to growing drug abuse in Australia, necessitate the addition of guards, but there are no indications yet that funding will increase to help satisfy the need.

Aviation. The aviation segment, representing 12.00% of the market, experienced the strongest (but slowing) growth over past five years, following the growth trends of air traffic and passenger movements as well as increased demand for guards at airport terminals.

Competitive Landscape in Australia

The chart below displays the market share divide among the top seven Australian suppliers in Fiscal year 2015 *(in USD)*:



MSS and Wilson Security are the leading providers of security services in the Australian market. Wilson has only recently grown to be similar in size to MSS through various acquisitions, including that of ISS's non-aviation security business. ISS is heavily focused on the aviation market. SNP maintains high dollar-value security contracts in the aviation sector, but in general, SNP is more broadly focused on the security service market as a whole. Facility management companies like ISS and Spotless are more focused on total facility, integrated solution packages than the security market specifically. Outside of the top suppliers, the market is serviced by a number of small to medium-sized firms focusing on regional markets. According to the Australian Bureau of Statistics, in 2015 approximately 450 companies with revenues above USD 2.00 million supplied investigation and security services.

Key Demand Drivers in Australia and Industry Growth Forecasts

A mandatory increase in the minimum wage, which averaged 2.90% per year, was the most significant driver of revenue growth for security services. The health of the overall economy is a significant driver of demand for security services according to security service providers. The Australian GDP grew 2.70% annually over the past five years, and is projected to grow at 2.60% annually till Fiscal Year 2020. Security threats from terrorist groups (especially after the 2014 Sydney hostage crisis) have heightened demand for security services, especially for high-risk groups such as schools, religious and government establishments, and law enforcement. Terror threat remains relatively high in Australia, at a level of "probable" since September 2014.

Tourism was frequently cited by primary respondents as an important driver of security services. According to Tourism Research Australia, tourism provides a boost to more than 13.00% of Australia's total businesses, which also require increased security. Furthermore, safety and security has emerged as the leading factor in tourists' destination decisions, so security service suppliers can expect a bump in demand for places like hotels, accommodations and event venues. Although growth due to this factor is notable, it is less significant than drivers such as the overall health of the economy, growth in key end-markets or increased security threats.

IV. CASH LOGISTICS INDUSTRY IN INDIA

Market Size and Historical Growth

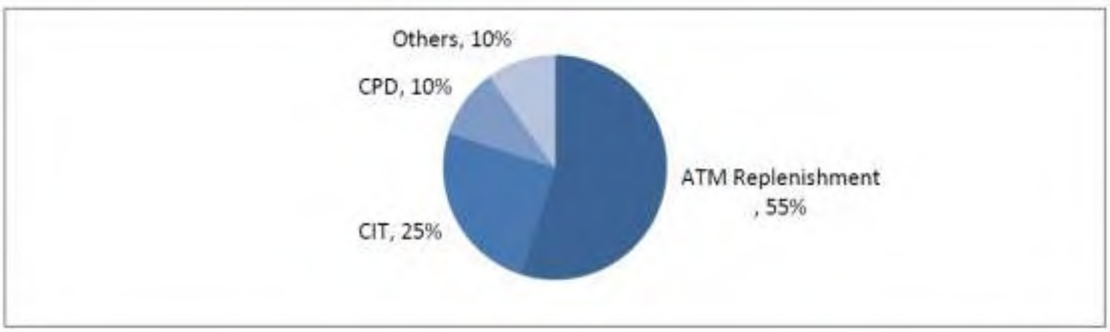
Cash logistics services are integral to the Indian banking system, particularly considering the large amounts of cash circulating through the country. Every day, private cash logistics companies carry approximately ₹150,000.00 million in more than 8,000 cash vans. According to Federation of Indian Chambers of Commerce and Industry ("**FICCI**"), these companies also hold, at any point in time, more than ₹40,000.00 million in their vaults on behalf of banks and other financial institutions. With high risks and low error tolerance, competition is highly restricted and involves a small number of companies that have proven credibility. The top five to six companies dominate more than 80.00% of the market.

The growing banking inclusion initiative, growing banking infrastructure and increasing ATM installations in the country are major drivers for the market, which, for Fiscal Year 2015, is valued at ₹29,000.00 million growing at the rate of more than 19.30% from Fiscal Year 2010.

Industry Operations

Cash logistics services comprise of three functions: ATM replenishment, cash-in-transit ("**CIT**") and cash pickup and delivery ("**CPD**"), with service providers also performing bullion transit, cash processing and cash vaulting services. Currently, ATM replenishment is the largest segment of the cash logistics services market. Companies deal with managed service providers ("**MSPs**") or banks directly to provide ATM replenishment or CIT services.

The amount of revenue by functions in the cash logistics industry in India for Fiscal Year 2015 is displayed in the chart below:



Source: Frost & Sullivan Analysis

Revenue gained from ATM replenishment is usually dependent on the number of ATMs services on a monthly basis. Costs incurred by companies are related to hiring and purchasing vans to move cash and valuables, paying employees and investments in security systems to mitigate the risks of theft. Pricing for such services is based on average revenue realization per ATM, which is now averaging ₹7,000.00 per month, and varies based on replenishment frequency patterns. Apart from cash replenishment, MSPs or cash logistics companies are expected to attend to first-line maintenance ("**FLM**") which would address problems such as currency and stationery jams arising at ATM locations. Currently, 60.00% to 70.00% of ATMs in India are outsourced.

ATM replenishment services market in India is estimated to grow at a rapid pace, owing to efforts aimed at bridging the demand-supply gap prevailing in ATM usage in India. It still falls short of the world average in terms of ATMs per 100,000 adults in the country and has one of the lowest ATM densities in the world with only 25.40 ATMs per 1,000.00 sq.km.

Business pricing for CIT and CPD services is more subjective and is dependent on factors such as location, cash amount and time of day. Companies that provide CIT services are responsible for the physical transfer of banknotes, coins and items of value from the currency chests of banks to their branches, typically also conducting bulk transits of currency between cities and branches, or from branch to branch. In order to facilitate this transfer, companies hire vehicles on a rental basis, providing specific banks with dedicated vehicles for a particular time of day to transit cash between currency chests or vaults and the bank.

CPD refers to the safe pick up of cash, smart cards, passports, documents or any other valuables on behalf of retail shops or other private establishments. The service can also involve processing of picked up cash and overnight vaulting depending on the client and bank agreement. The retail sector is an important end-user segment for this service, as it involves handling cash on a day-to-day basis.

Other services like bullion management, vaulting services and cash processing are seeing a gradual increase in importance. India has been the largest gold importer worldwide, with China. Cash processing in India refers to the outsourcing of currency chests to CIT companies. In India there are 4,100 currency chests, out of which only 0.02% are outsourced.

End User Segments

Since Fiscal Year 2014, the Reserve Bank of India ("**RBI**") has granted 23 banking licenses, indicating an expansion in banking services. Although there is a rise in technology-driven transactions, banks are expanding their branch networks in order to cater to segments of the population that do not have access to formal banking services. This expansion increases the market potential for cash management companies.

The following table displays the degree of outsourcing in cash handling operations across banks:

Types of Banks	Cash in transit
Private Sector Banks	Fully Outsourced
Banks from SBI/ Nationalized Banks	Partly Outsourced
Other Nationalized Banks	Partly Outsourced

Source: Country reports on the 'Cost of Cash' by The Fletcher School's Institute for Business in the Global Context (IBGC), with the support of MasterCard.

Apart from banks, sectors such as jewelers and gold loan companies that handle large volumes of cash are a growing customer base. Retail transactions are still largely cash intensive, and USAID reports suggest that 97.00% of retail transactions in India are still cash-based. For instance, India lags major countries in terms of number of point of sale (PoS) terminals. According to Bank for International Settlements (BIS), there are around 1,385,000 POS terminals in India in 2016, which is the lowest among the emerging economies and much behind the BRICS economies.

In addition, India has the largest gold stock in the world, with over 18,000.00 metric tons of gold being held by Indian households. In order to cater to their customers, jewellery showrooms and retail centers often engage private companies to process cash.

Hospital chains are another key end-user segment that contribute to the growth of the cash logistics service market in India. Since the Indian health insurance system is still in its infancy, the majority of hospital transactions are still cash based. New investments in hospitals are also expected to increase the amount of cash in circulation.

Competitive Landscape in India

Because cash management involves huge volumes of cash and associated risks, competition is restricted to organized companies. Currently, there are 12 companies, both international and domestic, that operate in the cash logistics market.

The table below presents key operational data for the top five cash logistics companies in India:

Company Name	Number of ATMs	Revenue Growth % (2013 – 14)	Geographic Coverage	Employees	Cash Vans	Market Share in terms of Revenues (%)
CMS Info Systems	48,000	21.0	Pan-India	21000	3000	40
SIS Prosegur[12]	18,000	47.0	Pan-India	10000	2500	10-11
Brink's Arya Private Limited[13]	13,000	12.6	Regional	7500	NA	7
Writer Safeguard Pvt. Ltd. (WSG)	14,000	20.0	Regional	5000	900	7
Securevalue India Ltd.	10,000	18.0	Regional	7000	470	6

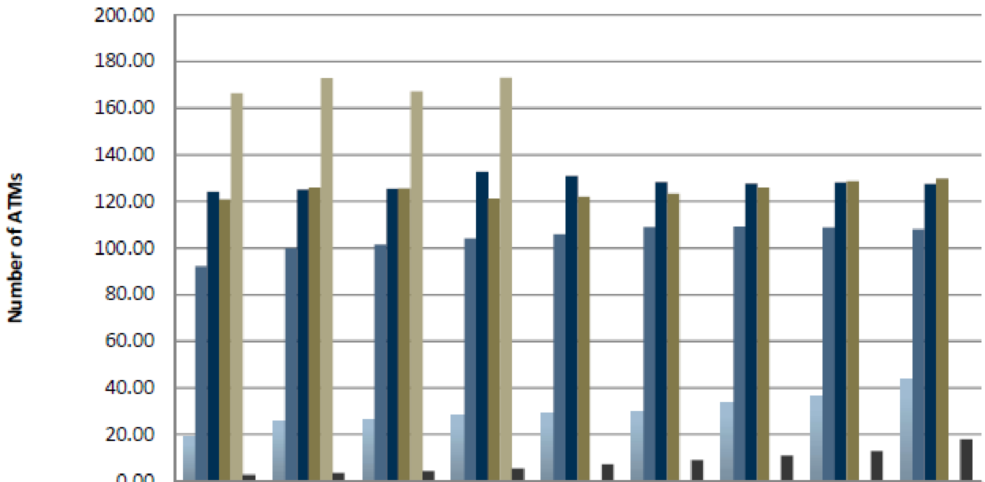
Notes:[12] Revenue growth mentioned is for Dec '13 to Dec '14; [13] Revenue growth mentioned is for 2014 - 15 Further, In December 2016, SIS Prosegur acquired an additional 4,800 ATMs.

A strict adherence to RBI regulations, compliance with statutory requirements such as wages and insurance along with a robust business continuity or contingency plan in terms of cash and funding in times of credit crunch are key determinants of success in this industry.

Key Demand Drivers in India

Increase in number of ATMs and ATM transactions

There has been nearly 23.00%-25.00% year-on-year growth in the number of ATMs (220,000 currently according to the RBI), their deployment has been predominantly in Tier I and in few Tier II centers. ATMs outsourced are at roughly about 140,000 in India. RBI's initiative to set up white label ATMs is all set to boost the ATM penetration in the country. Of the new ATMs, 50.00% to 65.00% will be deployed in Tier II and Tier III cities. The Government's initiative in providing bank accounts for all has also driven the banks to increase the number of ATMs in the country. A comparative analysis of ATM density in key economies globally is as follows:



	2006	2007	2008	2009	2010	2011	2012	2013	2014
World Average	18.93	25.30	26.61	28.42	28.90	29.95	33.49	36.35	43.97
France	92.17	99.91	101.53	104.01	105.94	108.99	109.11	108.75	108.05
Japan	124.11	125.11	125.39	132.71	130.82	128.44	127.79	128.26	127.50
UK	120.89	125.77	125.55	121.18	122.02	123.40	125.90	128.65	129.76
USA*	166.23	172.81	167.12	173.08	0	0	0	0	0
India	2.76	3.41	4.33	5.36	7.34	8.95	11.13	13.05	18.07

*Note: *Data for ATM density in the USA is only available till 2009; Source: World Bank*

Debit card transactions are also growing significantly, and have climbed by a CAGR of 36.50% over the past five Fiscal Years. Along with the growth in the number of ATMs, this projected increase in usage of banks will drive the need for cash management services. Approximately 140,000 ATMs in India are outsourced. The increase in the ATMs market between Fiscal Years 2012 and 2015 and projected increase is depicted below:

Source: RBI and Frost & Sullivan Analysis

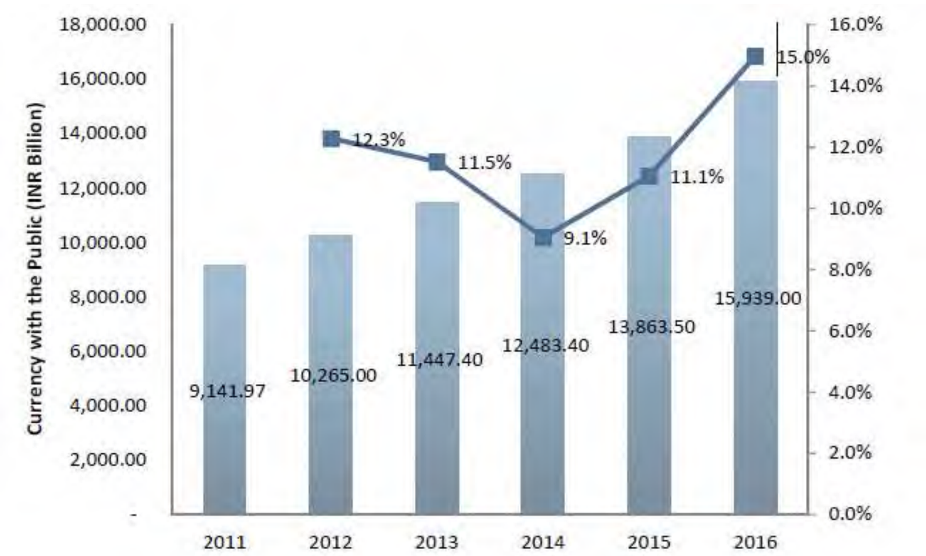
Increasing number of organized retail shops, jewellers, gold loan companies and hospital chains

A positive economic outlook has paved way for the organized retail movement in India. Organized retail sector has witnessed a growth of more than 15.00% between Fiscal Year 2011 and 2015. Increasing customer base in the form of jewelers, gold loan companies and hospital chains are positively driving the cash logistics market, especially the

CPD business in India. These three sectors handle large volumes of cash and use the services of private cash logistics companies. The gold loan market in India is rapidly growing and the annual demand for gold in India is projected to increase, at a CAGR of 2.60%, from 1,000.00 metric tons in Fiscal Year 2013 to more than 1,200 metric tons by Fiscal Year 2020. Hospital chains are another key end-user segment contributing to the growth of cash logistics services market in India. A majority of the hospital transactions in India are cash based.

Positive economic outlook and continued use of cash in the country

According to the RBI, 63.00% of all payments in the country are still in the form of cash. Notwithstanding the modernization of the banking system along with the surge of e-commerce business, India still remains cash intensive and the value of notes and coins in circulation as a percentage of GDP is as follows:

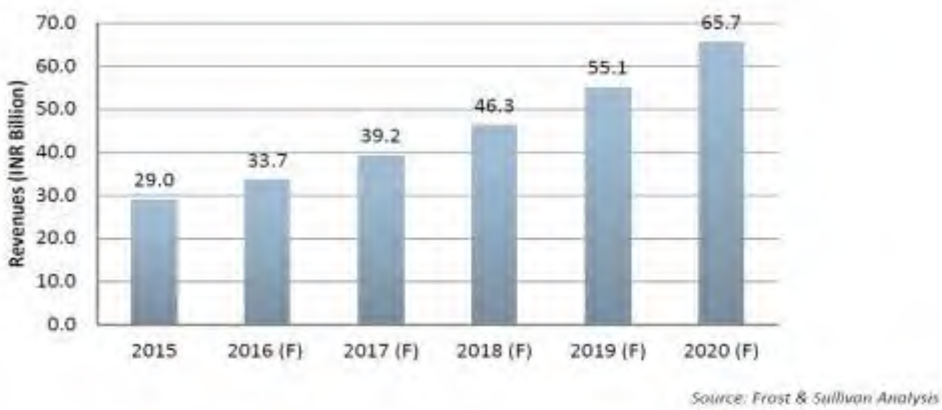


Pursuant to notifications dated November 8, 2016, the Reserve Bank of India, or RBI, and the Ministry of Finance of the GoI withdrew the legal tender status of ₹ 500 and ₹ 1,000 currency notes. The total cash and currency circulation in the system for currency notes of ₹500 and above was ₹13.32 trillion as on March 2017, which is 76% of the ₹17.97 trillion that was in circulation before November 8, 2016. Recent RBI data on digital payments shows that usage of digital payments is back at pre-demonetization levels and consequently the usage of cash in the economy is expected to revert to more or less the pre-demonetization levels, according to Frost & Sullivan.

Industry Growth Forecasts

The cash logistics market in India is estimated to grow at a CAGR of 17.80% between Fiscal Year 2015 and Fiscal Year 2020. The majority of this growth will be driven by the growth in banking sector. As the economy moves towards using less cash, competition is expected to become stiff, leading to further consolidation of the market. The Indian market is expected to witness growth in value added offerings such as currency authenticators and sorting and currency counting machines, cash forecasting software, front office cash management and back office cash recycling, among others.

Market revenue is projected to increase as follows:



V. ELECTRONIC SECURITY INDUSTRY IN INDIA

Electronic security services involve the installation and commissioning of security systems, products or equipment along with operations and maintenance ("**O&M**") services. Electronic security systems include CCTV, alarm systems, access control systems, and other safety related systems such as fire alarms, automatic fire suppression systems and other electronic equipment installed for security purposes.

Industry Operations

Electronic security services are provided by large private security companies such as G4S, SIS, and TOPSGRUP who provide both product installation and O&M services. There are several layers in the value chain of this industry, including original equipment manufacturers ("**OEMs**"), distributors, and systems integrators who compete with the private security service companies.

Market Size and Historical Growth

The electronic security services market in India was estimated at ₹24,300.00 million in Fiscal Year 2011 and recorded growth at a CAGR of 25.60%, reaching a value of ₹60,500.00 million in Fiscal Year 2015. Demand is driven by increasing awareness about safety, and investments in public and private establishments.

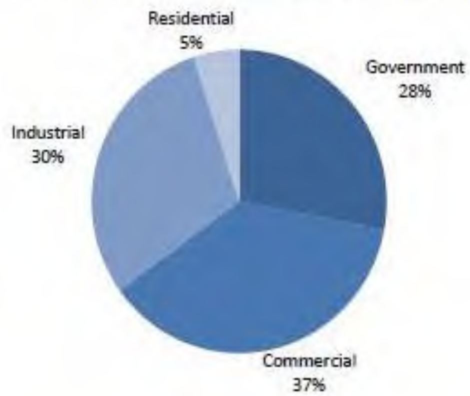
End User Segments

Private industrial and commercial sectors contribute to over 80.00% of the electronic security services market in India. In the industrial sector, security norms are highly stringent and strictly implemented, leading to the high prevalence of electronic security in medium and large scale industries. Particularly in heavy and large-scale industries, security services are largely dominated by fire alarm and safety systems. Historically, end-users have engaged OEMs and system integrators for security systems and private security service companies for security services. Lately, however, many industrial units are calling private security providers to provide end-to-end solutions in order to bring all their security needs under a single umbrella.

In the commercial sector, electronic security services are majorly dominated by demand arising from the IT and ITES office space, the banking sector, retail, healthcare and hospitality. These sectors require services such as video surveillance, access control and fire safety systems. Similar services in addition to perimeter protection, x-ray scanners and metal detectors are required to administer metros, airports and other public spaces.

Residential areas also demand installation of intrusion alarms, fire detection systems, intercom and video door phones.

The market share by end-user type for Fiscal Year 2015 is displayed below:



Source: Frost & Sullivan analysis

Competitive Landscape

Competition for electronic security services market can be divided into three tiers of competition.

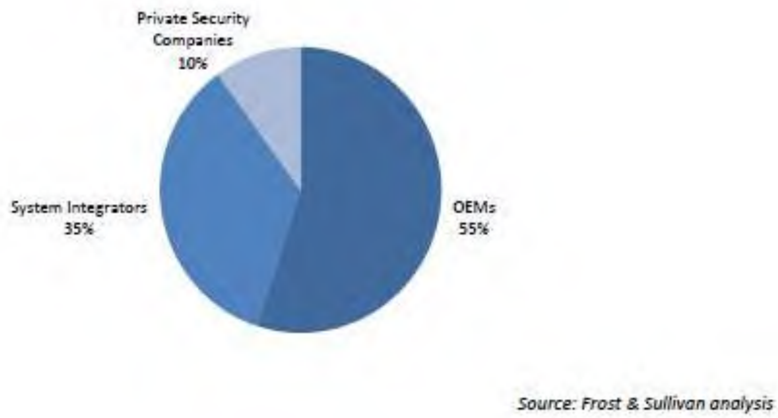
Large OEMs that possess system integration and service capabilities dominate the market. With large office networks and distribution capabilities, these OEMs negotiate large contracts with the government or with corporate establishments. OEMs deal with end-customers directly instead of going through systems integrators.

The second layer of competition consists of distributors and system integrators with installation and O&M capabilities. There are several unorganized companies in this layer of competition. Due to low entry barriers in the market, small players are able to offer products at comparatively low prices. There are more than a hundred companies across India that cater to small regional pockets.

Lastly, private security companies form the smallest share of the market. These companies offer electronic security services as extensions to their security services. While currently very few private security companies offer electronic security services, they are regardless growing to be an important segment of the competitive structure. As they build competencies in product installation, system integration, and service portfolios, they are able to compete effectively with the large OEMs and dedicated system integrators.

In recent times, large IT companies have entered the electronic security services market, driven by the need for remote monitoring and the control of internet connected devices.

The competition scenario for electronic services in India for Fiscal Year 2015 is displayed in the following chart:



Key Demand Drivers

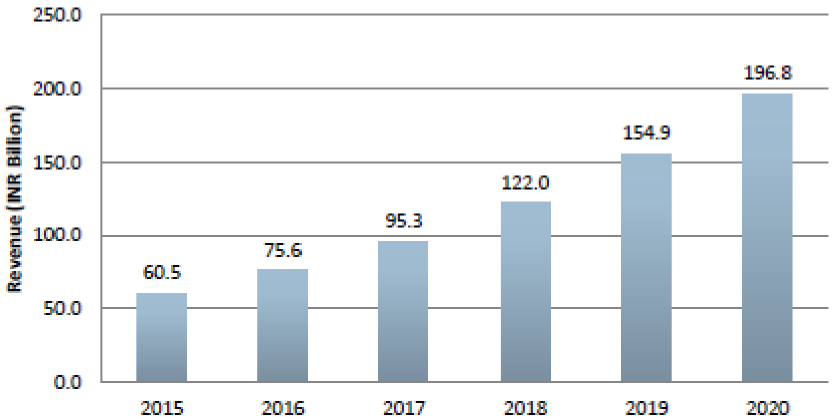
Statistics reveal more than a 10.00% year-on-year growth in crime rates in Tamil Nadu, Bihar, Odisha, Lakshadweep, West Bengal, Arunachal Pradesh, Assam, Jharkhand and Manipur. These growing crime rates have led to increased threat perception which in turn influence the demand for electronic security. There is a growing need to have round- the-clock monitoring of premises and properties to evade and confront threats. Evidence obtained from electronic security has proven to be integral, not only in identifying perpetrators, but also in creating a sense of security for the inhabitants of buildings or residents of a locality.

Declining prices of electronic security systems increase the incentive for end-users to reduce their dependence on manual monitoring. Furthermore, private establishments have increased budgets for security significantly over the past few years.

In India, increasing economic activity has led to increased investments in buildings and infrastructure projects. Government spending to augment public infrastructure such as roads, railways, metros and airports has increased the demand for electronic security. Budgets for security and safety are amplified in an effort to improve safety and security. Due to high bandwidth capabilities and compression technologies, the solutions are getting more affordable and customized as per user industry.

Industry Growth Forecast

Rapid urbanization, increasing governmental investments and various technology advances in the domestic market are expected to provide a promising future for electronic security services market. The electronic securities market is projected to grow at a CAGR of 26.60% between Fiscal Years 2016 and 2020, to reach ₹196,800.00 million by Fiscal Year 2020, as shown in the chart below:



Source: Frost & Sullivan analysis

Evolving trends in technology are significant in shaping the future of electronic security. Low-end, analogue cameras have been replaced with high-end high definition cameras. Similarly, a number of intelligent products such as smart plug-and-play cameras which will allow access to videos over wi-fi, physical security information management ("**PSIM**") and more are making inroads into the Indian market. Through the Internet of Things ("**IoT**"), security data can now be accessed anywhere and can even be stored on the cloud or on memory cards, therefore making ubiquitous access to data a reality. An emerging development is the utilization of artificial logic based intelligence to provide high levels of preventative security control through command centers. These changing trends in technology have allowed security companies to invest in more complicated command centers to monitor, manage and analyze data around the clock.

The Indian government's smart cities initiative lays a strong emphasis on the integrated security of cities. This focus on security may involve large contracts requiring security systems and services, leading to private companies playing an integral role in providing security consulting and services to city planners.

Another important factor which is expected to drive the growth of electronic security services is the shift in focus from B2B and B2G to B2C segment. The security demands from the residential sector are increasing rapidly, with many home owners willing to invest in electronic security to protect their assets. This segment is estimated to increase the market potential for private security companies. Large systems integrators are not involved in the B2C segment as the volume of business is low. Hence, growth in security in the residential sector directly boosts the market prospects for private security companies.

Finally, the private security industry's attempt to reduce dependence on manual guarding has led to a strong urge to diversify into other services where there is untapped potential to increase future business prospects.

VI. FACILITY MANAGEMENT INDUSTRY IN INDIA

The global market for integrated facility management ("**IFM**") services was valued at USD 75,800.00 million in Fiscal Year 2015, and is expected to touch USD 98,520.00 million by Fiscal Year 2019 growing at a CAGR of 6.80%. Though India's facilities management market represents only 2.00% of the global market, it is growing at a higher CAGR than the global market.

Industry Operations

Facility management refers to the outsourcing of services and functions which are considered non-core activities for a business. In order to improve building maintenance and the efficient operation of facilities, coordinated effort between people and spaces is required. Facility management services can broadly be classified into two types, namely:

- hard services: including mechanical, electrical and plumbing maintenance, asset management strategies, planned preventive maintenance services, short-term repairs, heating, ventilation and air-conditioning ("**HVAC**") issues, among others; and

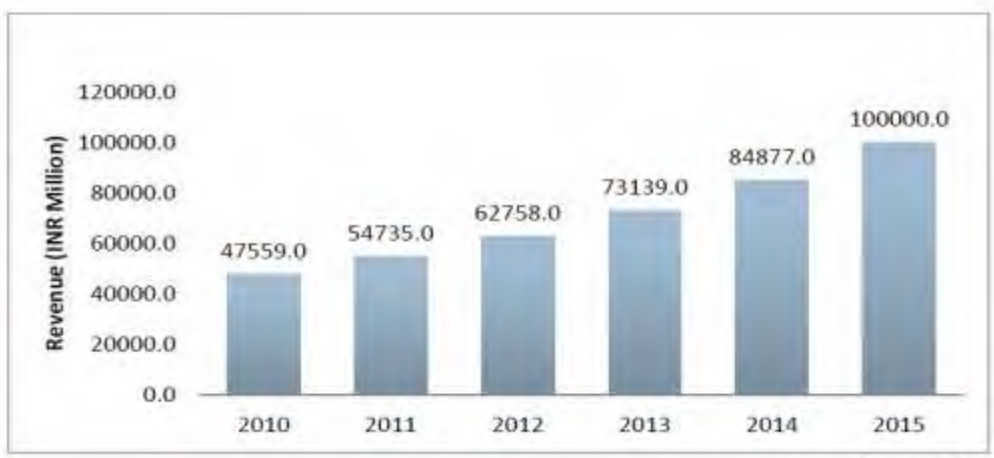
- soft services: including cleaning and housekeeping, pest control, catering, gardening and landscaping, security services, office support, mail room support, guest house or service apartment management, laundry, production support, among others.

For Fiscal Year 2015, hard services accounted for 40.00% of the market share of the overall facility management services market and the remaining 60.00% share is from the soft services market.

Cleaning services contribute around 50.00% of the total soft facility management services market, followed by pest control and other soft facility management services (such as office support, gardening and landscaping, laundry & guest house management, food and pantry services) at 20.00% and 30.00% share, respectively.

Market Size and Historical Growth

Opportunities for private sector participation in key sectors of the Indian economy opened up post liberalization, in 1991. By 2000, the economy witnessed a burgeoning business potential from IT and ITES services industry which not only found a strong foothold in the country, but also drove the need for investment in the real estate sector – both commercial and residential segments. As a result, the total facility management market has grown at a CAGR of 16.00% over the last five Fiscal Years. The following chart shows historical revenue from Fiscal Year 2010 to 2015:



Source: Frost & Sullivan analysis

End User Segments in India

Demand for facility management services is consistently growing with increasing awareness among end-users. End-users include offices, hotels, hospitals, malls, residential spaces, the automobile industry, the pharmaceutical industry, electronics, food and infrastructure development. The majority of growth is expected to be driven by growing demand from the commercial sector. The growth of a few user segments of facility management is highlighted below:

Offices: By the end of Fiscal Year 2015, the total stock of Grade A office space in India reached about 440.00 million square feet. The demand for office space is expected to grow at 12.00% to 13.00% over the next two to three years.

Hotels: The total number of hotel rooms across major cities in India stood at around 112,284 for Fiscal Year 2015. It is expected that the total number of hotel rooms in India will grow to 146,485 by Fiscal Year 2020.

Hospitals: India has only 0.70 beds per 1,000 people, far below the global average of 2.60. By Fiscal Year 2034, India will need roughly 3.50 million beds to enable universal access to healthcare.

Malls: India has more than 300 malls, with more than 250 malls coming up in the last decade. However, the construction of malls has slowed down owing to quality of stock, high land costs, poor footfalls, and saturation of market. Though the new space addition has slowed down, the total stock of mall space is expected to grow from 76.00 million square feet in Fiscal Year 2013 to 106.00 million square feet by Fiscal Year 2017.

Residential: According to Ministry of Housing, the demand for residential space segment across the top eight cities (Chennai, Hyderabad, Mumbai, Kolkata, NCR, Bengaluru, Pune and Ahmedabad) in India is expected to grow at a CAGR of 2.00% over the period between Fiscal Years 2015 and 2020, to reach 550,000 units in Fiscal Year 2020 from 500,000 units in Fiscal Year 2015.

Automotive: The automobile industry is one of India's major sectors; accounting for 22.00% of the country's manufacturing GDP and 7.10% of the country's GDP as of Fiscal Year 2014. The Indian automotive sector has the potential to generate up to USD 300.00 billion in annual revenue by Fiscal Year 2026, create 65.00 million additional jobs and contribute to over 12.00% to India's GDP.

Pharmaceutical: The market size for the Indian pharmaceutical industry was valued at USD 20,000.00 million in 2014 and is expected to reach USD 55,000.00 million by Fiscal Year 2020. The Indian pharmaceutical industry is estimated to grow at 22.00% CAGR over the next five years.

Electronics: India's total electronics hardware production in Fiscal Year 2015 was estimated at USD 32.46 billion, according to the National Institute for Transforming India ("**Niti Ayog**"). The overall electronic industry contributes to just 1.70% of the country's manufacturing GDP. The total FDI in electronics in Fiscal Year 2015 was USD 142.90 million and amounted to just 0.42% of the total inflow.

Food: The food industry is expected to grow at a CAGR of 11.00% to reach USD 65.4 billion by Fiscal Year 2018. The Indian food processing sector, accounting for 9.00% to 10.00% of the manufacturing GDP and 11.00% of agricultural GDP, has the potential to attract USD 33,000.00 million investments in next 10 years. The Indian government has approved setting up five mega food parks and plans to invest in another 42 mega food parks across the country in the next three to five years.

Infrastructure: India's infrastructure development requires funds of USD 1,500.00 billion in investment in the next 10 years to bridge the infrastructure gap, with 70.00% of funds going towards power, roads and urban infrastructure segments. The Airports Authority of India ("**AAI**") plans to develop city-side infrastructure at 13 regional airports across India, building hotels, car parks and other facilities. The total investment between Fiscal Year 2012 and Fiscal Year 2017 is about USD 12.10 billion, of which 75.00% is expected to come from private sector. AAI is also planning to modernize and upgrade non-metro airports over five years (Fiscal Year 2013 to Fiscal Year 2017). In the Fiscal Year 2016 budget, the capital outlay for railways has been increased by ₹100.50 billion in order to achieve the goals of Vision 2020. Most of these projects involve engineering, procurement and construction ("**EPC**") contracts towards the construction of dedicated freight corridors ("**DFCs**") and the development of world-class railway stations.

Competitive Landscape in India

The facility management market in India is highly unorganized with an on-going shift in business towards organized players who ensure high standards in compliance and service delivery. Customers have started preferring integrated players who provide a one stop shop for facility management needs, rather than unorganized companies that are incapable of providing integrated services and do not have a good track record of compliance. The Indian facility management market is clustered with more than 500 companies operating across different regions in the country.

Companies in the 'Tier 1' category have an annual turnover of more than ₹1.00 billion and are both globally reputed and domestically recognized. They are vertically integrated, with a broad service portfolio, large number of manpower and managed areas, a nation-wide presence, pan-India contracts, and experience of large scale projects.

Examples include: ISS Integrated Facility Services Pvt. Ltd, BVG India Limited, Updater Services India Limited (UDS), Dusters Total Solution Services (DTSS), Property Solutions India Private Limited (PSIPL), Tenon Property Services Private Limited, OCS India, Krystal Integrated Services. There are approximately 10 to 15 'Tier 1' companies.

Largest facility management companies in India, in terms of revenues include (source: Frost & Sullivan, for Fiscal Year 2016):

Company Names	2016
BVG India Limited	INR 9,940.0 Million
ISS Facility Services India Private Limited	INR 8,700.0 Million
Updater Services Private Limited (UDS)	INR 6,650.0 Million
Dusters Total Solutions Services	INR 3,350.0 Million
Tenon Facility Management	INR 2,500.0 Million
A2Z Facility Management	INR 2,200.0 Million
ServiceMaster Clean India Pvt. Ltd	INR 1,020.0 Million

Certain key operational information for the selected facility management companies is presented below (source: Frost & Sullivan, as of March 31, 2015):

Company Names	Managed Area, Million square feet	No. of Employees	No. of Clients/Sites
BVG India	NA	25,000+	400+
ISS Integrated Facility Services	103	~23,000	500+
Updater Services Pvt. Limited (UDS)	150	25,000+	300+
Dusters Total Solutions Services*	125+	18,000	800+ (35 cities and 13 States)
Tenon Facility Management	85	NA	NA
A2Z Facility Management	100	22,000+ (Includes Direct and Contract)	200+
Service Master Clean (SMC)		6500	300 towns

Source: Discussions with Industry participants, Company Websites, and Financial statements of the respective companies available in public domain (ROC, websites etc.)
** SMC has recently bought out DTSS*

'Tier 2' companies have an annual turnover of between ₹100.00 million to ₹1,000.00 million. They are nationally recognized brands that offer multiple services, have experience of handling medium projects and have regional and state level presence. There are approximately 50 to 80 Tier 2 companies.

‘Tier 3’ companies have an annual turnover of below ₹100.00 million. They are a locally recognized brand that offer single services and have experience in handling small and medium projects (often as sub-contract work), as well as having state and city level presence. More than 300 companies belong to this ‘Tier 3’ category.

Competitive factors include: integrated service offerings, local market knowledge, retention of skilled workforce, statutory compliance, brand reputation, financial strength, ability to adopt advanced technologies and preventive maintenance techniques.

Organized companies, both domestic and international, are financially equipped to harness market potential and also possess the ability to attract large and medium corporate customers through their established brand image, competitive pricing, wide range of services supported by skilled technical expertise/qualified manpower to sustain local competition, and capability to invest in training. Creating value addition is one of the key entry barriers erected by organized players, who engage in services such as energy management, remote monitoring of buildings and sustainable strategies to improve building efficiency. In the case of cleaning services, organized companies are offering specific solutions such as washroom hygiene solutions, power sweeping, and infection control in order to differentiate themselves from standard service offerings of unorganized companies.

The following chart displays the market potential for organized players by end-user segment in India for the year 2015:

End-user Segment	Market Potential for Organized Players	Description
Industrial	◕	More emphasize on FM services from segments like Pharma, Food, Auto and Electronics. Pharma and FMCG provide better margins than others due to the requirement of Service Level Agreement (SLA) based FM services through offering highly skilled technical expertise for their clean rooms, pharma audit programs and Food & Safety Audits applications
Offices	●	Innovation in FM services and savings are hugely demanded and appreciated in this segment, thus providing better margins
Retail Malls	◔	The segment is not attractive as the margins are lesser compared to other commercial segment, as there are no value-add services and technical expertise required for this segment
Healthcare	●	Service level agreement (SLA) is more prominent in this segment but outsources only the infrastructure based hard services and for common areas. Margins are higher as the requirement of technical expertise is huge
Hospitality	●	Service level agreement (SLA) is more prominent in this segment by utilizing the services in common areas, laundry, kitchen, pubs and restaurants
Residential	◔	The customers are cost-conscious. It is observed that there are no major opportunity for Tier 1 companies
Government & Infrastructure	◑	Private companies having good track record in Government buildings plays a major role in bidding for project contracts in this segment

Source: Frost & Sullivan analysis

Key Demand Drivers

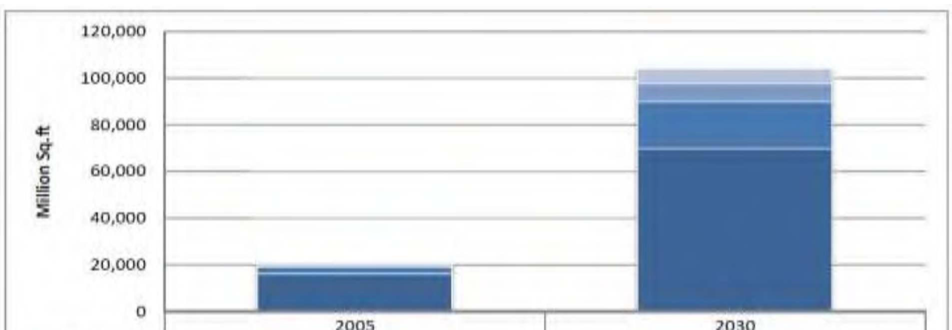
Increasing awareness has led to facility management being viewed as a strategic cost center where costs, quality, and time can be controlled by outsourcing to a third party service provider. Customers are increasingly aware of the benefits of outsourcing in order to reduce operating costs of the facilities/buildings and to focus on core business activities. Outsourcing improves working conditions in the facility by providing safer, cleaner, and healthier environment for the occupants.

The Indian real estate market size is expected to touch a value of USD 140.00 billion by Fiscal Year 2017. Growth in commercial and residential construction is leading to the increased adoption of hard facility management services and cleaning services in India. The introduction of smart/green building design concepts and the installation of advanced engineering systems are further encouraging the involvement of professional maintenance services thus enhancing the life span of the asset as well as the property. Furthermore, multinational companies ("**MNCs**") and domestic companies have started investing in India and looking for facility management services that are competitive on a global level, thus creating more opportunities for organized facility management companies to introduce and push integrated facility management services among customers/end-users.

Emerging hospitality, healthcare, residential and governmental sectors are expected to drive growth. A rise in travel and medical tourism, expanding infrastructure facilities and openness of public sector investments to outsource facility management related services are the major reasons for the growth of these sectors. The introduction of new technologies and solutions has resulted in the improved delivery of services. Increased efficiency has enabled organized cleaning service providers to scale their operations and offer services linked to service level agreements ("**SLA**") and key performance indicators ("**KPI**").

Industry Growth Forecasts

The graph below shows the growth of total building stock in million square feet by Fiscal Year 2030 across different user segments such as retail, hospitality, commercial offices, and residential. Coupled with the growth of total stock that is expected to touch about 100,000.00 million square feet by Fiscal Year 2030 and rising tendency to outsource.



	2005	2030
Retail	950	6,428
Hospitality	730	7,909
Commercial	2,900	19,998
Residential	16,300	69,823

Source: Growth of Indian Building Sector (Climate Works Foundation, 2010)

The growth of the building stock in India has demanded effective maintenance not only to increase the life span of the asset/property but also to address the health and safety standards of the occupants within the building premises. An increase in office, retail and hospitality space in India has further paved the way for facility management penetration in India and created opportunities for many companies in the industry, including organized players.

The total facility management market in India is estimated to grow with a CAGR of 20.30% between Fiscal Years 2016 and 2020. The market revenue forecast from Fiscal Year 2015 to Fiscal Year 2020 is depicted below:

Demand for outsourced facility management services is also expected to come from existing buildings/facilities that were averse to outsourcing or have not adequately gauged the importance of outsourcing. In addition to the growth in the base of the user segments, facility management service providers are also well-positioned to offer energy conservation and performance contracts to the users, as they manage the building's equipment. Most asset owners spend over 75.00% of the total lifecycle costs of a building on operations and maintenance; hence, there is an emerging business opportunity for solutions and services in energy management.

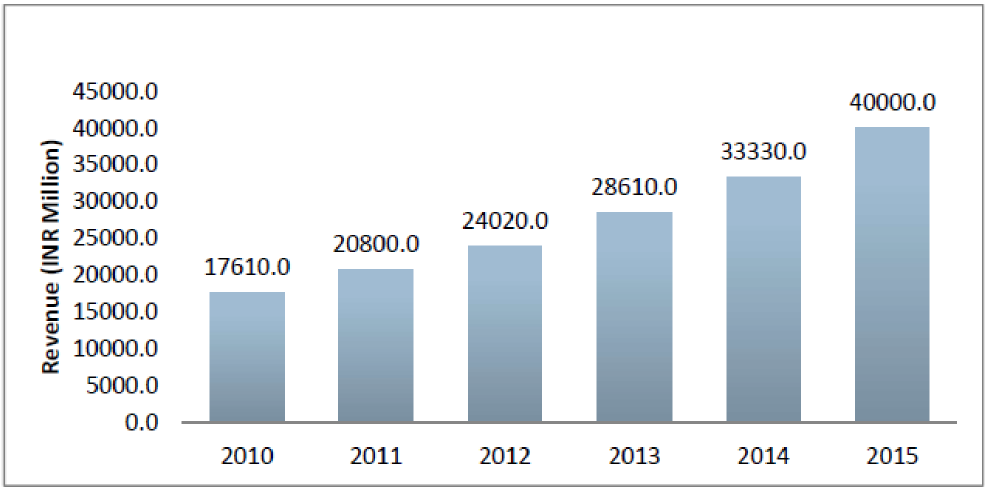
The complexity of MEP systems such as ELV or low voltage and medium voltage systems, such as building automation system, security systems (access control, closed-circuit television (CCTV)), lighting control systems, sewage and grey water treatment, water treatments, and special water services for firefighting presents an opportunity for organized facility management service providers. These service providers will be benefitted as they can quickly bring in competencies to reach out to the rapidly evolving needs of the building owners. On the whole, users are realizing that operations and maintenance of a building (commercial, residential, or industrial facilities) are best performed by experts such as facility management companies who have the required wherewithal and resources to ensure smooth functioning of the asset.

Hard Facility Management Services in India

Market Overview

Hard services cover building repairs or the operation and maintenance of mechanical, electrical and plumbing systems. Skilled labour is required for both monitoring and maintenance. Examples of services covered include: HVAC systems, boilers, pumps and fire hydrants, lighting systems, fire alarm and detection systems, access control and CCTV systems, building management systems ("**BMS**"), elevators, switchgears and transformers, back-up power systems, general plumbing, water and sewage treatment and utilities management.

Historical revenues for hard facility management services are as follows:

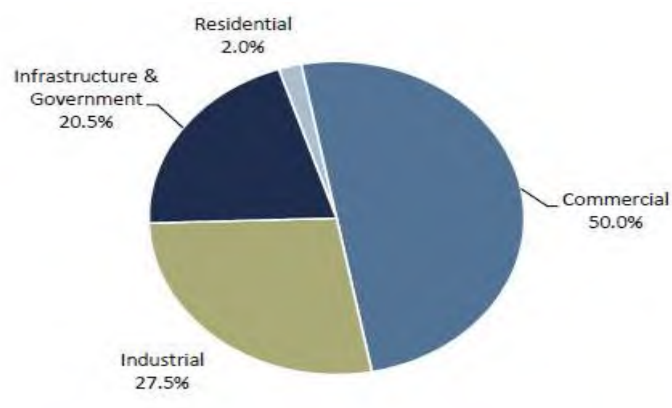


End-User Segments

A major source of revenue for facility management companies is the commercial segment -- offices continue to be the key contributor to the hard facility management services market mainly due to growth in IT and ITES, banking, and finance sectors. In the residential sector, offices continue to be the key contributor to the hard facility management services market mainly due to growth in IT and ITES, banking, and finance sectors. Most contracts are locally maintained, while national level developers handle others.

Large and medium scale industrial customers are major revenue generators for Hard facility management services in India. These customers believe in standardization and prefer both customized facility management solutions as well as vendors with ISO certification. Government backed projects and high profile contracts managed by public-private participation (PPP) will need hard facility management services to maintain their infrastructure. However, winning project contracts is tough because qualified bidders need a good record of accomplishment, past experience and a strong financial background.

The following chart depicts market share by end users in India, for Fiscal Year 2015:



Buildings are equipped with smart/efficient systems such as sensors/detectors, controllers, variable frequency drives ("**VFDs**") and renewable systems such as solar powered hot water generators and roof top solar photovoltaic systems. This equipment increases the complexity of operation and maintenance of hard services. The demand for effective maintenance of energy-intensive systems to reduce energy bills has also forced end users to focus on smart maintenance (being both effective and efficient) solutions and resulted in higher penetration for hard services in

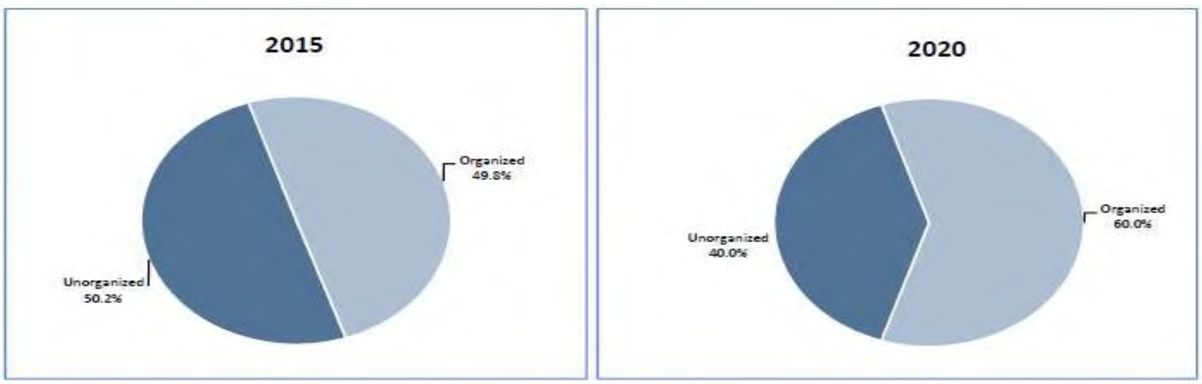
India. Facility managers also face challenges to ensure smoother operations, involving staff with greater skill-sets and on par with current technologies and systems.

Competitive Landscape

India is seeing a shift toward organized competition that would bring in high standards of compliance and service-delivery.

Customers prefer integrated players that offer all services under a single contract, rather than opting for unorganized companies with single service specializations that need customers to maintain multiple contracts. The market has witnessed several mergers and acquisitions indicating a market consolidation driven by the need for an organized approach.

The following chart is a competitive assessment of the hard facility management services market in Fiscal Year 2015 and as projected for Fiscal Year 2020:



Industry Growth Forecasts

The market for hard facility management services is expected to reach ₹103,714.00 million by Fiscal Year 2020 from ₹40,000.00 million in Fiscal Year 2015 at CAGR of 21.00%. New business opportunity areas affecting the growth of the overall facility management services market include energy management and the remote management of buildings. In many cases, facility management companies include basic services such as energy audits in their portfolios to gain first-mover advantage – energy management services are now also being included in hard facility management service contracts. facility management companies that are well established and aware of the building needs are in a better position to capitalize on the growing demand for energy related services.

The analysis of building efficiency data through remote monitoring of buildings is gaining popularity in developed markets and is expected to make its presence felt in India.

Finally, vibration analysis for HVAC equipment is gaining popularity and is likely to be part of preventive maintenance. In the future, use of micro-renewables such as building integrated photovoltaic ("**BIPV**"), wastewater recycling, and waste to energy concepts will gain a strong foothold in the market and make buildings self-sufficient. These upcoming technologies are expected to have a major impact on the Hard facility management services market. In addition to this, the green building movement in India has increased the opportunity for Green facility management services. Offering energy performance contracting and sustainable strategies to improve building efficiency are some key areas of opportunity for organized facility management companies.

Cleaning Services Industry in India

Market Overview

Cleaning services refers to housekeeping or janitorial services that improve and address health and hygienic concerns. The cleaning industry is considered a separate segment within facility management because of a major focus on hygiene and better care required in certain end-user verticals. Cleaning is one of the most commonly outsourced services in end-user verticals such as offices, retail malls, hotels, healthcare, educational, residential, industrial and government and public infrastructure. The three broad categories, these services fall under are standard, specialized, and green cleaning. Standard cleaning includes house-maid/domestic cleaning service, work place and wash room hygiene, carpet and floor care, window and façade cleaning, and vacuuming and upholstering. Specialized cleaning services involve cleaning requirements in healthcare, municipality (road and highway cleaning), and industrial cleaning. Green cleaning is the usage of non-toxic or organic cleaning solutions (having low or zero Volatile Organic Compounds (VOC)), primarily driven by the growth of the green buildings industry in India.

Industry Operations

Market participants offer services in three broad categories, namely, standard, specialized, and green cleaning. Standard cleaning includes house-maid/domestic cleaning service, work place and wash room hygiene, carpet and floor care, window and façade cleaning, and vacuuming and upholstering, to name a few. Specialized cleaning services involve cleaning requirements in healthcare, municipality (road and highway cleaning), and industrial cleaning. Finally, green cleaning is the usage of non-toxic or organic cleaning solutions (having low or zero Volatile Organic Compounds ("**VOC"**)), primarily driven by the growth of the green buildings industry in India.

Driven mainly by the growth of the real estate sector, the cleaning services market accounted for 30.00%, that is, ₹30,000.00 million of the overall facility management services market in India for Fiscal Year 2015. The cleaning services market grew at 19.00% CAGR from ₹12,570.00 million in Fiscal Year 2010 to reach ₹30,000.00 million in Fiscal Year 2015.

The cleaning services market comprises of two service delivery models: contract based and on-demand. Increasingly, India is adopting labour -based contracts with costs dependent on the number of workers provided. These contracts are partly the result of an increase in labour costs due to inflation. High attrition rates add to the burden, and small companies find it tough to mobilize resources and provide fixed labour counts. Although evolving, square feet based contracts are not popular in India.

The on-demand services market currently accounts for just around 5.00% to 10.00% of the overall cleaning services market. The model is mainly designed to satisfy the immediate and speedy requirement of city-centric working community households and is aimed at people working and living in the IT corridors. These on-demand services are mostly catered by several start-up companies (such as Housejoy and Urbanclap).

End User Segments

Commercial establishments such as offices, banks, retail outlets, hotels, healthcare and education, among others, contribute to 50.00% of the market for cleaning services. Rates of outsourcing in this segment are quite high, and most users opt for IFM contracts bundling hard services and technical equipment maintenance. Most big service providers in this space have entered into regional contracts, involving all offices in the region under one contract.

Increasing awareness and rising demand for healthcare infrastructure are resulting in growing opportunities for cleaning services in India. In the education sector, opportunities for cleaning services emerge from private schools and colleges in the form of IFM contracts. In public educational institutions such as IITs, IIMs, NITs, and centrally funded universities, empanelled service providers bid for sweeping or cleaning and allied services through tenders. Although the availability of in-house labour and labour issues causes industrial customers, particularly in the public sector, to refrain from outsourcing, the presence of global and Indian MNCs leads to an emphasis on better working conditions and improved cleaning standards and practices.

Recently, many government entities, and industrial companies have offered long-term contracts for cleaning services in India. An increasing impetus for cleanliness, as seen in the 'Swachh Bharat Abhiyaan' drives the need for outsourcing these services to professional organizations.

Competitive Landscape

Organized players accounted for 56.00% of the market for Fiscal Year 2015 and are projected to account for 65.00% of the market by Fiscal Year 2020. Some organized players include Bharat Vikas Group (BVG), Updater Services (UDS), ISS Facilities Services, A2Z Group – Infra Services, Dusters Total Solution Services (DTSS), Krystal Integrated Services (KISPL), Property Solutions India Private (PSIPL) and OCS India. Many stand-alone companies also execute cleaning services on contract- and on-demand basis. Recently, many of these have added other peripheral services such as painting, interior fit-outs, and pest control services.

Industry Growth Forecast

Lately, there has been a visible change in the awareness of outsourcing of cleaning services among various end users. Market development activities and improvements in service delivery by organized service providers have led to greater acceptance of these services. The market for cleaning services in India is projected to reach ₹81,070.00 million by Fiscal Year 2020 at a CAGR of 22.00%, as follows:

Customized cleaning solutions are becoming popular in India by meeting the needs of individual end users. For example: cleaning of hospitals and other healthcare units differs from cleaning of office spaces as the former includes a microbe-free environment in operation theatres ("**OT**") and intensive care units ("**ICU**").

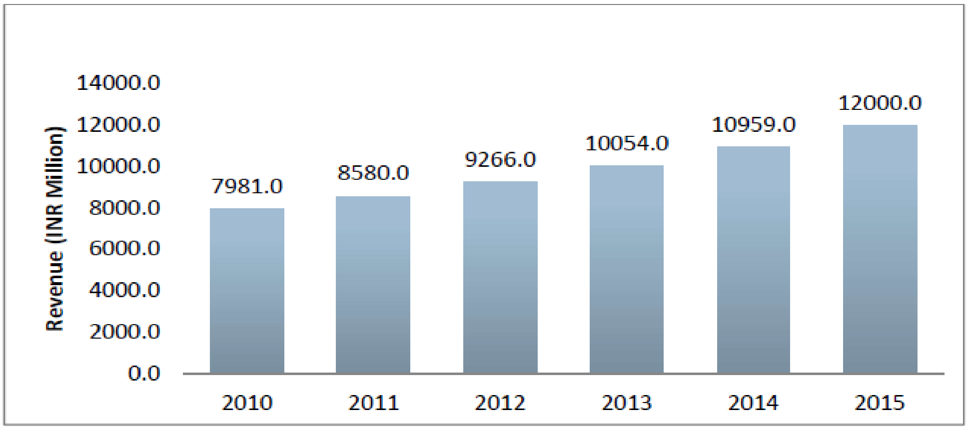
Apart from commercial cleaning, i.e., cleaning services offered to large commercial buildings, recently, there has been a new offshoot market catering to residential homes. New growth opportunities for facility management and cleaning service companies include municipal, road and highway cleaning in public areas and parks ("**B2G**"), and cleaning of equipment/machines and vehicles in Industries etc. As a part of the Swachh Bharat Programme, municipalities are now eyeing public sanitation and hygiene to improve their competitiveness as well as to curb fugitive dust emissions created by manual sweeping.

The Ministry of Urban Development ("**MoUD**") has selected around 75 major cities in India including 53 cities with a population of over one million each and state capitals for sanitation investments in its Swachh Bharat Mission. The MoUD added that under the Swachh Bharat Mission (Urban), about ₹370,000.00 million of the project cost of ₹620,090.00 million is to be incurred on solid waste management ("**SWM**") activities such as door-to-door collection, transportation and scientific disposal of municipal solid waste.

Awareness levels of outsourcing hygiene and cleaning related activities to a service provider are increasing among customers, facility managers, and end users. The introduction of cleaning equipment technologies (mechanized cleaning, including ride-on and walk-behind machines), effective cleaning chemicals and innovative hygiene-related practices will improve cleaning requirements of customer facilities and ensure market participants retain their competitive edge.

Pest Control Industry in India

A labour -intensive market, pest control services are driven by a growth of economic activity in the country. The overall market for outsourced pest control services in India grew to ₹12,000.00 million in Fiscal Year 2015, at a CAGR of 8.50% from Fiscal Year 2010, as follows:



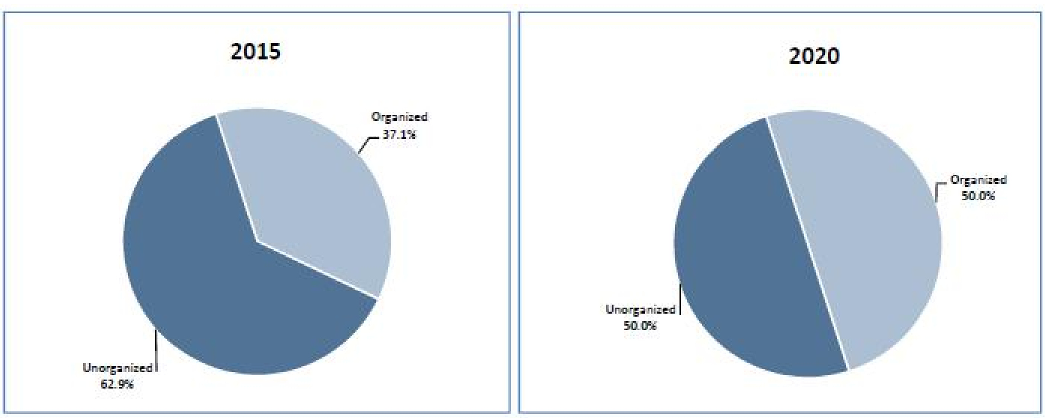
End User Segments in India

Industries such as food and beverages, pharmaceuticals and airports account for 40.00% to 45.00% of the market, while small-medium commercial enterprises ("**SMEs**") such as restaurants, hotels, educational institutions and residential areas account for the remaining 55.00% to 60.00% of the market. On-demand services are more popular with residential and SME segments. Annual maintenance contracts (typically once in four months) are the norm for rodents and cockroaches, whereas pest control services for birds and bed bugs are available on a need-basis.

Competitive Landscape

The Indian pest control services market is highly fragmented with many small service providers. The entry barrier is much lower and offers wider growth opportunity for unorganized players that operate locally within the city. Organized players account for about 37.00% of the market.

The following diagram shows a competitive assessment of the pest control services market between 2015 and 2020:



Meanwhile, many unorganized players still use banned substances such as dichlorodiphenyltrichloroethane ("**DDT**") and methyl bromide (for fumigation) which are considered harmful. Food processing companies in India are required to comply with third party audit requirements such as AIB International and British Retail Consortium ("**BRC"**) food safety standards. Many small pest control companies in India are not able to meet the stringent requirements of these compliances.

Key Demand Drivers

The demand for pest control services is consistently growing with increasing awareness among end users on health and safety issues followed by disease outbreaks. Demand for professional management services to control pests and rodents will drive the growth for pest control services market in India. Furthermore, the climate in tropical South Asia is conducive to pest activity all year round. The hot and tropical climates offers ideal breeding conditions for many types of pests including rodents, flies, bed bugs, mosquitoes, termites, ants and spiders. Climate change has also had an impact – for example, it has induced the spread of Asian tiger mosquito that is found throughout the tropics of Southeast Asia. Thus, the impact of climate change is potentially an important factor in the future of pest management.

Industry Growth Forecast

The overall market for outsourced pest control services in India was ₹12,000 million in Fiscal Year 2015 and is expected to grow to ₹21,140 million by Fiscal Year 2020. Rising economic activities, growing urbanization, increasing middle-class population and growing awareness of hygiene and sanitation among end users further increases the demand for pest control services. The increasing middle class population in India has a growing intolerance for pests and associated diseases. The demand for higher hygiene standards continue to rise in public areas and following the government's 'Clean India Campaign – the Swachh Bharat Mission' that will impact the pest control services market in India.

OUR BUSINESS

Overview

We are a leading provider of private security and facility management services in India. Our portfolio of services includes:

- ***private security services***, comprising of:

    - *security services*: we are the second largest security services provider in India, in terms of revenue, as of March 31, 2016, and the fastest growing security services provider in India, based on revenues for Fiscal Years 2010 to 2014, according to Frost & Sullivan. In addition, Freedonia ranks our wholly-owned Subsidiary, MSS Security Pty Limited ("**MSS**") as the largest security services provider in Australia, jointly with a competitor, in terms of revenues, as of March 31, 2015. We provide a comprehensive range of security services ranging from providing trained security personnel for general guarding to specialized security roles in India and Australia. In Australia, we also provide paramedic and allied health, fire rescue services, mobile patrol, loss prevention and other related services.

    - *cash logistics services*: we are the second largest cash logistics service provider in India, in terms of market share by revenue, number of employees, ATMs served and cash vans utilized, as of March 31, 2015, according to Frost & Sullivan. Our cash logistics business in India includes services such as cash in transit including transportation of bank notes and other valuables, doorstep banking as well as cash processing, ATM related services including ATM replenishment, first line maintenance and safekeeping, and vault related services for bullion and cash; and

    - *electronic security services and home alarm monitoring and response services:* In India, we provide electronic security services, including integrated and turnkey electronic security and surveillance solutions combining electronic security with trained manpower and have recently entered into a joint venture in order to provide home alarm monitoring and response services;

- ***facility management services***: Our facility management services in India include cleaning, janitorial services, disaster restoration and clean-up of damage, as well as facility operation and management such as deployment of receptionists, lift operators, electricians and plumbers, and also pest and termite control. Effective August 1, 2016, we acquired 78.72% of the outstanding equity shares of Dusters Total Solutions Services Private Limited ("**Dusters**"), with the agreement to increase our shareholding to 100% over the next three years (pursuant to which we have acquired a further 7.20% of the outstanding equity of Dusters on July 31, 2017). Dusters is the fourth largest facility management services provider in India, in terms of revenues, as of March 31, 2016, according to Frost & Sullivan. We have developed our portfolio of services in order to cater to the needs of diverse consumer segments, including, business entities, Government organizations and households, and to leverage the growth and potential of such customer segments in India.

We have entered into strategic relationships in India with several multinational companies. For our cash logistics and alarm monitoring and response businesses, we have entered into joint ventures with affiliates of Prosegur Compañía de Seguridad, S.A ("**Prosegur**"), a global player in cash management and alarm monitoring. We have also entered into a joint venture with an affiliate of Terminix International Company, L.P. ("**Terminix**"), a multi-national provider of termite and pest control services. In addition, we have licensed the 'ServiceMaster Clean' brand, and associated proprietary processes, operating materials and knowhow for our facility management business in India from The ServiceMaster Company, LLC ("**ServiceMaster**") group, a commercial and residential cleaning service provider. Our strategic relationships with reputed industry participants enable us to offer a one-stop-shop for the portfolio of private security and facility management services, benefit from know-how, technology, staff and market reputation of our partners, leverage our existing infrastructure, branch network and customers, and share risk and costs associated with starting new businesses, including by lowering our capital expenditure.

As of April 30, 2017, we have a widespread branch network consisting of 251 branches in 124 cities and towns in India, which cover 630 districts. We employed 148,678 personnel in India and rendered security and facility management services at 11,869 customer premises across India. In Australia, we operate in each of the eight states and employed 5,754 personnel servicing 245 customers, as of April 30, 2017. Our widespread branch network enables us to service a large number of customer premises and render customized services across India and Australia.

We have set up an extensive employee platform which spans recruitment, customized training and development, deployment, incentivization and management of personnel. We have deep geographical reach for manpower sourcing and training and currently operate 18 training academies across India and four training academies across Australia. In India, our security services personnel undergo extensive physical and classroom training. Our personnel recruitment, training and deployment initiatives are process oriented and technology driven with detailed performance indicator tracking, reporting and evaluation of personnel. We benefit from a pipeline of operational managers from the graduate trainee officer program undertaken at our training academy at Garhwa, Jharkhand, which is focused on developing a management cadre with in-depth knowledge of our business and operations. Our security personnel in Australia hold the required state security licenses and undergo both company-specific and site-specific training.

Our Promoters, Ravindra Kishore Sinha and Rituraj Kishore Sinha, have over three decades and one decade of experience, respectively, in operating our business. In addition, we are led by a well-qualified and experienced management team, which we believe has demonstrated its ability to manage and grow our operations organically and also acquire and integrate businesses. Certain key members of our managerial team have also gained relevant experience by working with global leaders in their respective business segments. For further details see "*Our Management*" on page 251. In addition, our Key Management Personnel have, on average, 20 years of experience with us. We have also benefited from the strategic inputs and support of investors such as Thomas Berglund and Hakan Winberg, each of whom have approximately two decades of experience in the security services industry, including over a decade as CEO and CFO, respectively, at Securitas AB, a multinational security services company.

Our total revenue grew at a CAGR of 14.56% to ₹ 45,771.22 million for Fiscal Year 2017 from ₹ 26,577.00 million for Fiscal Year 2013. On a pro forma basis, giving effect to our acquisition of Andwills Pty Ltd. ("**Andwills**") and Dusters for the year ended March 31, 2017, our total revenue would have been ₹51,312.50 million.

Our revenue from operations for Fiscal Year 2017 from our security services, cash logistics, electronic security and facility management businesses (including revenues from pest-control services) were, ₹39,820.15 million, ₹1,651.28 million, ₹69.34 million and ₹3,949.78 million, respectively. Our EBITDA has grown to ₹2,233.78 million for the Fiscal Year 2017 from ₹1,255.15 million for the Fiscal Year 2013. EBITDA is a supplemental measure of our performance and liquidity and is not prepared under or required by Indian GAAP or IND-AS. See "*Summary Financial Information*" on page 71.

Our Strengths

Diverse portfolio of private security and facility management services

Our diverse portfolio of services comprises of security services, cash logistics services and electronic security and home alarm monitoring and response, as well as facility management services. Our security services range from providing trained security personnel for general guarding to specialized security roles in India and Australia. In Australia, we also provide paramedic and allied health, fire rescue services, mobile patrol, loss prevention and other related services. Our cash logistics business includes services such as cash in transit including transportation of bank notes and other valuables, doorstep banking as well as cash processing, ATM related services including ATM replenishment and first line maintenance and safekeeping, and vault related services for bullion and cash. In India, we also provide electronic security services, including offering integrated solutions combining electronic security with trained manpower, and have recently entered into a joint venture to provide our home alarm monitoring and response services. Our facility management services include cleaning, janitorial services, disaster restoration and clean-up of damage, as well as deployment of receptionists, lift operators, electricians and plumbers and pest and termite control services.

We believe that our extensive portfolio of services enables us to grow our customer relationships and scope of engagements and serve as a single point of contact for multiple services, driving high customer retention. Our multiple service offerings allow us to derive operational efficiencies, by centralizing certain key functions such as finance and sales and also certain other administrative functions. Given our operational experience, we believe that we have developed in-house expertise to handle all stages of deployment and management of private security and facility management services and cater to the varying requirements of our customers, which has enabled us to grow our market share and instill our customers with confidence in our ability to address their diverse and dynamic business needs.

Leader in providing security services in India and Australia

We are the second largest security services provider in India, in terms of revenue as of March 31, 2016, and the fastest growing security services provider in India, based on revenues for Fiscal Years 2010 to 2014, according to Frost & Sullivan. Between Fiscal Years 2013 and 2017, our revenue from operations from our security services business in India grew at a CAGR of 29.67%.

Freedonia ranks our wholly-owned Subsidiary, MSS, as the largest security services provider in Australia, jointly with a competitor, in terms of revenues, as of March 31, 2015. We entered this business in Australia by acquiring Chubb Security's security services business in August 2008. Between Fiscal Years 2013 and 2017, our revenue from operations from our security services business in Australia grew at a CAGR of 7.7% in Australian Dollar terms. On June 9, 2017, we signed definitive agreements to increase our voting rights in Southern Cross Protection Pty Ltd ("**SXP**") from 10.0% to 51.0%, with effect from July 1, 2017.

Our long-standing presence in India and Australia has helped us gain an understanding of the respective markets, which we believe has contributed towards the success of our operations. Our brands are well-recognized for providing quality security services in India and Australia and we believe that our strong brand positioning and strategic focus on such business has contributed to sustained increase in our business over the years.

Second largest cash logistics service provider in India

We are the second largest cash logistics service provider in India, as of March 31, 2015, in terms of market share by revenue, number of employees, ATMs served and cash vans utilized, according to Frost & Sullivan. For our cash logistics business, we have entered into a joint venture with an affiliate of Prosegur, a global player in cash management services. We also acquired the cash and valuables services division of ISS SDB Security Services Private Limited ("**ISS**"), in December 2014 and operate it under our 'SISCO' brand. We further increased our market share through the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security, in December 2016. The customers for our cash logistics services range from retailers, restaurants and jewelers to metro stations, banks and toll collection plazas. We have established a nation-wide network in India, comprising 80 branches, including shared branches, 2,748 cash routes, served by 2,518 cash vans as well as two wheeler vehicles and 59 vaults and strong rooms, as of April 30, 2017, and have set up a secure cash processing unit at New Delhi, to service our customers' needs.

Leading position in facility management services in India

In March 2008, we entered into an exclusive license agreement with ServiceMaster for the 'ServiceMaster Clean' brand, and associated proprietary processes, operating materials and knowhow in order to develop our facility management business in India. Effective August 1, 2016, we acquired Dusters, the fourth largest facility management service provider in India, in terms of revenues, as of March 31, 2016, according to Frost & Sullivan. We have also entered into a joint venture with Terminix, a multinational provider of termite and pest control services. We believe that factors such as our diverse range of services, customer base comprising business entities, Government organizations and households and ranging from malls and retail centers, hotels and hospitals to government offices and airports, and strength of the established brands we use, enable us to further strengthen our leading position.

Widespread and integrated branch network in India

As of April 30, 2017, we had 251 branches in 124 cities and towns in India, which cover 630 districts, and rendered security and facility management services at 11,869 customer premises, giving us a nation-wide presence and reducing our dependence on any one particular region. We believe that locating our branches in proximity to our customer premises is a significant factor for success in our business and our widespread branch network results in greater focus on, and attention to our customers as well as higher quality and customized service delivery. At the same time, our nation-wide presence enables us to offer services to customers who prefer a single service provider for their operations at multiple locations.

Simultaneously with the expansion of our branch network, we have made investments in information technology to improve connectivity across our branches and operations and provide for data-based decision-making. We believe knowledge sharing across our branches and business segments enables sales lead generation and development of location specific know-how for particular geographical areas. Further, we believe that through our extensive branch infrastructure, we have developed economies of scale, which allow us to provide efficient and cost-effective solutions to our customers.

Diverse customer base

We provide our private security and facility management services to several customer segments such as business entities, Government organizations and households. These customer segments range across a variety of industries and sectors, which include banking and financial services, IT/ ITeS and telecom, automobile, steel and heavy industries, governmental undertakings, hospitality and real estate, utilities, educational institutions, healthcare, consumer goods, engineering and construction, which reduces our vulnerabilities to economic cycles and dependence on any particular set of customers. We believe our ability to offer customized private security and facility management services to fit the needs of our customers across our various business segments allows us to deepen our relationships with our customers and enables us to target a greater share of their requirements. We believe that we have been able to retain existing customers and attract new customers because of our brand, strong market position and delivery of quality services.

Established systems and processes leading to a scalable business model

We have implemented standardized recruitment, training, deployment, operations and services related quality measurement and business analysis systems and processes that we believe enable us to develop a scalable business model, with quality service delivery. We have standardized the recruitment criteria for our personnel in order to maintain high quality and consistency in the services and experience we provide to our customers. We have put in place a variety of operational systems including a weekly and monthly reporting system tied into our in-house enterprise resource planning (“**ERP**”) system, as well as a performance management portal that tracks key performance indicators for individual employees. We collect data through these reporting systems across our various branches which is regularly reviewed in order to assess employee performance levels as well as overall branch performance, creating effectiveness and efficiency in our business operations. We compare employee level key performance indicators such as productivity, attendance and punctuality and hours served against competencies to promote productivity. Further, we use data such as sales revenue, management reports, cash flows and new sales, collected for each branch, to generate a balance scorecard for each branch, which is used to assess the performance of our branches and branch managers.

We have also instituted a ‘seven finger model’ management tool which focuses on identified drivers to achieve business and operational targets. We focus on four key result drivers, i.e., developing new sales in a consistent and sustainable manner, operational management resulting in quality service delivery, manpower management driving high employee quality and retention and efficient receivables collection minimizing bad debt, in order to develop three key performance measures i.e. sales revenues, total costs and profit margin. In August, 2016 we deployed ‘iOps’, a mobile security services operations platform which is used to track detailed data analytics, enable workflow automation and generate info-graphic dashboards. In March 2017, we launched SalesMaxx a portable tablet sales kit for enhancing sales productivity and customer relations. We believe that our technology based operational and reporting systems and management processes have helped us in becoming a professionally managed business with a scalable business model.

Experienced management and operational team

Our Promoters, Ravindra Kishore Sinha and Rituraj Kishore Sinha, have over three decades and one decade of experience, respectively, in operating our business. In addition, we are led by a well- qualified and experienced management team, which we believe has demonstrated its ability to manage and grow our operations organically and also acquire and integrate businesses. Certain key members of our managerial team have also gained relevant experience by working with global leaders in their respective business segments. In addition, our Key Management Personnel have, on average, 20 years of experience working with us. We believe that the knowledge and experience of our managers in private security and facility management services provides us with a significant competitive advantage as we seek to grow our business. For further details on our Key Managerial Personnel, please refer to "*Our Management*" on page 251.

Given our extensive presence and operations across India and across our different business segments, we have developed a second line of operational managers with significant managerial experience. Each of our businesses has separate management teams, each led by their respective chief executive officer or president and experienced operational and functional managers who are responsible for the management of the daily operations of these businesses.

In addition, we have access to a pipeline of qualified operational managers from our graduate trainee officer program, which was instituted in 1989, undertaken at our training academy at Garhwa, Jharkhand. Our graduate trainee officer program is focused on developing a management cadre with in-depth knowledge of our business. A majority of our executive and regional vice presidents have been promoted through our graduate trainee officer program which seeks to inculcate strong leadership skills, strengthened association with our brand and extensive knowledge of our business. We believe that our personnel recruitment and training initiatives drive employee loyalty and retention and quality assurance, and ensure that we deliver uniform services to our customers.

Our Strategy

We have developed our private security and facility management services by entering into businesses that require utilization of trained manpower, have limited capital expenditure requirements, are asset-light and in which we are able to leverage our existing infrastructure and expertise. The key elements of our strategy are:

Grow our businesses across customer segments

We believe that we are well placed to capitalize on the expected growth in the private security and facility management services industry due to our early mover advantage and strong brand presence. According to Frost & Sullivan, the Indian economy is expected to become the fifth largest economy by 2020, resulting in growth across end user and customer segments in India and the security services market in India is likely to grow at the rate of 20.00% between Fiscal Years 2015 and 2020. We intend to grow our businesses, leveraging on the growth of private sector business entities due to investments in infrastructure, manufacturing and services, growth in demand of our services from Government organizations and from households due to an increase in the disposable income available with the Indian middle class.

Our customers for our private security and facility management services include private sector business entities operating in industries ranging from manufacturing and defense to mining, IT/ITeS, airports and aviation. We believe that growth in the business of such customers in India, would result in a corresponding growth in demand for our services, due to the increasing scope of their operations resulting in demand for organized and standardized services, and growth in the scale of their operations across geographies in India and Australia, resulting in increase in demand across our nation-wide branch network.

Further, according to Frost & Sullivan, growing banking infrastructure and increasing ATM installations in India, supported by the positive economic scenario across India and growth in the business of banking sector customers, are expected to result in growth of the cash logistics industry at a CAGR of 17.8% between 2015 and 2020. We have established a nation-wide network in India, comprising of 80 branches, including shared branches, 2,748 cash routes served by 2,518 cash vans as well as two wheeler vehicles and 59 vaults and strong rooms, as of April 30, 2017, and we believe we are well positioned to capitalize on such growth.

Our acquisition of Dusters, the fourth largest provider of facility management services in India, in terms of revenues, as of March 31, 2016, according to Frost & Sullivan, has enhanced our capability to serve customers in the facility management business. We intend to focus on integration and growth of our facility management business by leveraging the expertise, presence and portfolio of clients and services of Dusters and the experience and brand of ServiceMaster and Terminix. Further, according to Frost & Sullivan, the total facility management market in India is estimated to grow at a CAGR of 20.30% between Fiscal Years 2016 and 2020 including on account of growth opportunities for rendering facility management services to Governmental organizations. We intend to grow our presence with Government organizations leveraging on Government outsourcing initiatives, public-private partnership ventures requiring such services, particularly in the infrastructure sector, and tenders from large governmental and public sector enterprises including the Indian Railways, research and educational institutes, airlines, airports and metro rails.

In addition, according to Frost & Sullivan, the electronic security market is estimated to grow at a CAGR of 26.60% between Fiscal Years 2016 and 2020. We intend to grow our sales of electronic security and home alarm monitoring and response and facility management services to households and the residential sector, focusing on alarms, consulting, investigation, surveillance and data analytics as well as housekeeping, cleaning and pest control.

Use and upgrade technology to improve productivity and customer satisfaction

We intend to continue to use and upgrade our existing technological systems to strengthen our personnel training, deployment, sales and marketing, operational and management initiatives and derive greater operational efficiencies. We intend to supplement our existing ERP reporting systems with easy to use mobile technology. In August 2016 we deployed 'iOps', which is a mobile security services operations platform and deployed 'SalesMaxx' in March~~,~~ 2017, which is a portable tablet sales kit aimed at enhancing sales productivity and customer relations and reduce the time spent on administrative processes. We are also integrating various operational and financial systems in our businesses to enhance the efficiency of our operations and to ensure that key performance indicators are easily tracked. We anticipate that these initiatives would increase productivity, including through an increase in the number of security and facility management personnel we can deploy and manage from each of our branches, a reduction in cost per personnel deployed, as well as improve service experience for our customers.

We intend to further develop and implement technological and customer oriented initiatives in order to diversify our service offerings and exploit future growth opportunities. In the private security services industry, we anticipate an increasing role for technology led solutions and have developed a blend of physical and technology based services i.e. our 'Man-Tech' solutions. These services combine physical security presence with use of technology like cameras, NFC cards, GPS devices and remote monitoring. We believe that 'Man-Tech' solutions will play an increasingly important role in the provision of private security services. With increased crime rates in cities in India, according to Frost & Sullivan, we believe that Indian customers, including both businesses and households, will look to more comprehensive security offerings, resulting in growth of our home alarms business.

Leverage our existing branch infrastructure to achieve operational synergies

We intend to leverage our existing branch network in India to further grow our cash logistics and facility management services and to deepen our presence by increasing our service offerings at our individual branches. We believe our existing branch infrastructure for our security services business allows us to offer our cash logistics and facility management services at more of our branches, enabling us to rapidly tap market potential, thus increasing revenues, without incurring commensurate costs during the initial set up phase, thus increasing our operational margins. Further, we intend to reduce operating costs by enabling resource sharing and cross-utilization of our sales team and support services such as IT, accounts, tax and legal.

While we render security and facility management services at 11,869 customer premises in India, as of April 30, 2017, we believe that there is significant opportunity to further increase the services offered to our existing customers. We also intend to leverage our existing branches to grow our service offerings to customers who have operations at multiple locations across India. Further, we intend to continue expanding our branch network to drive greater and deeper penetration in the territories and markets in which we operate, including historically underserved regions such as Northeast India, as well as micro-markets in major cities in India, such as New Delhi. We evaluate our branches to optimize existing operations and resources utilized in a territory, carry out feasibility, logistics and manpower planning and accordingly open new branches in territories where our presence is not in line with the existing or potential customer base.

Inorganic growth through strategic acquisitions

While continuing to maintain organic growth momentum, we intend to explore inorganic expansion as well leveraging on the experience we have gained through our previous acquisitions. Frost & Sullivan anticipates competition in the cash logistics industry will become stiff, leading to further consolidation of the market. Leveraging on this consolidation, we intend to evaluate growth opportunities to inorganically grow our cash logistics operations, including by acquisition of cash accretive contracts from our competitors, similar to the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security in December 2016. We will also continue to consider opportunities for inorganic growth in India and the Asia Pacific region, particularly to:

- consolidate our market position in existing business lines;
- achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits;
- strengthen and expand our service portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our branch network, customers and geographical reach.

Description of our Business

Our Business

We operate in the following business lines:

- private security services, comprising of:
    - security services;
    - cash logistics services;
    - electronic security; and
    - home alarm monitoring and response services; as well as
- facility management services, comprising of:
    - cleaning and facility operation and management services; and
    - pest and termite control.

Recent Developments

With effect from July 1, 2017, we, through our 100.00% Subsidiary, SIS Australia Group, acquired an additional 41.00% of the voting rights in SXP, formerly one of our associates ("**SXP Acquisition**"). As a result, SXP has become one of our Subsidiaries. For further details on SXP, see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 225. The acquisition of the additional 41.00% voting rights in SXP was consummated as follows:

(iii) The purchase of 95,556 equity shares of SX Protective Services Pty Ltd. ("**SX Protective**"), representing 9.56% of the outstanding equity shares of SX Protective, from:

a. Anzus Pty Ltd as trustee for The Goldrick Family Trust,
b. David John Medhurst and Annette Medhurst as trustee for the Medhurst Family Superannuation Fund, and
c. Teide Pty Ltd as trustee for the Cumberland Discretionary Trust (collectively the "**Minority Sellers**"). SX Protective is the holder of 90.00% of the equity share capital in SXP; and

(iv) The purchase of 4,236 ordinary equity shares of Andwills, representing 42.36% of the ordinary equity shares of Andwills, from Bourke Family Holdings Pty Ltd. ("**Bourke**"); and the issue of 1,764 D class shares by Andwills, to allow SIS Australia Group to directly control, together with the ordinary equity shares of Andwills purchased by it, 51.00% of the voting rights in Andwills. Andwills is the holder of 85.00% of the equity share capital in SX Protective.

SIS Australia Group has paid AUD 13.38 million to Bourke and the Minority Sellers as consideration for the transactions described above, and also deposited an additional AUD 4.41 million in escrow, which are payable to the sellers in accordance with a formulation set forth in the SXP Acquisition agreements.

In furtherance of the SXP Acquisition, SIS Australia Group has entered into an amended and restated shareholders agreement dated June 9, 2017 with SXP, SX Protective, the Minority Sellers, Pat Bourke, Bourke Entity and certain other parties ("**SXP SHA**"). As set forth in the SXP SHA, certain principal terms of the SXP acquisition include:

(i) Patrick Bourke continuing to remain on the board of SXP as Managing Director for a period of three years and being involved in the day-to-day management of SXP;

(ii) A default by either party to the agreements entitling the non-defaulting party to seek a third party buyer for the shares and drag the defaulting party along with it to sell its shares to the third party buyer; and

(iii) the Company, through its 100% subsidiary, SIS Australia Group and the Bourke Entity and the Minority Sellers being restricted from transferring their Balance SXP Shares to any other person till the expiry of the prescribed time period for exercise of the put and call option by either side.

Further, a deed of put and call option executed on June 9, 2017 provides an option to SIS Australia Group to acquire remaining voting rights and equity interest in SX Protective and Andwills **("Balance SXP Shares")** on or after September 30, 2020. In the event, SIS Australia Group fails to exercise the option to purchase the Balance SXP Interest, the Bourke Entity and the Minority Sellers have the option to sell the Balance SXP Shares to SIS Australia Group at a price to be determined according to an agreed valuation formula.

Our Brands

We offer our private security and facility management services utilizing the following brands and trademarks, including trademarks licensed from our joint venture partners and licensors:

Security Services (India)

Security Services (Australia)

Cash Logistics

Electronic Security

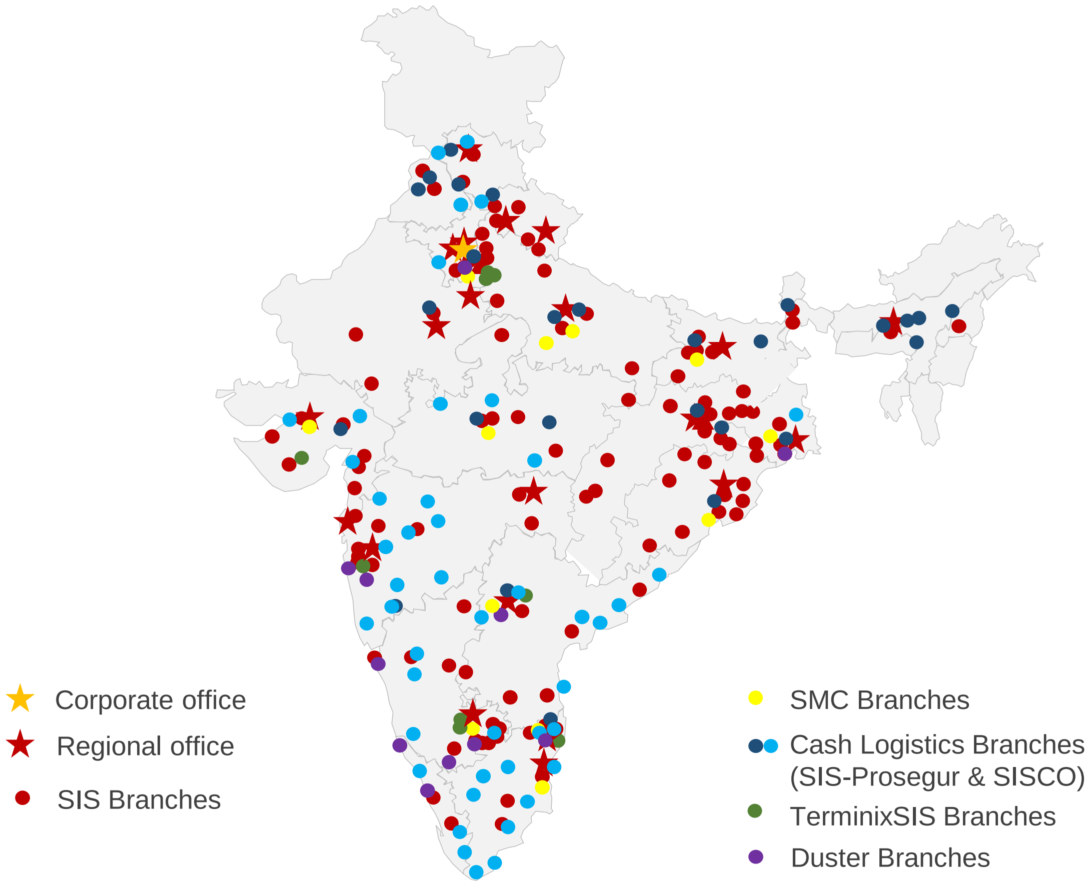
Home Alarm Monitoring and Response

Facility Management (including Pest and Termite Control)

Our Branches

We have an established nation-wide branch network in India consisting of 251 branches in 124 cities and towns, which cater to 630 districts, and rendered security services at 11,869 customer premises, as of April 30, 2017. As of April 30, 2017, our branches in India, by their primary business line were as follows: 151 for security services, 68 for cash logistics, 25 for cleaning and facility operation and management services and seven for pest and termite control. In addition, we provided facility management services through five, and cash logistics services through eight of our branches in India, which were primarily dedicated to security services, as of April 30, 2017.

An illustration of our branches across India is as follows:



Note: map not to scale

In Australia, we operate offices in each of the eight states, servicing 245 customers, as of April 30, 2017.

Revenue from Operations from our Business Lines

The following table sets forth our revenue from operations from our business lines for the periods indicated:

	Revenue from Operations					
	Fiscal Year 2017		Fiscal Year 2016		Fiscal Year 2015	
	(₹ in millions)	*as a % of Total Revenues*	*(₹ in millions)*	*as a % of Total Revenues*	*(₹ in millions)*	*as a % of Total Revenues*
Security Services (India)	15,874.80	34.68%	12,548.02	32.59%	10,262.65	28.79%
Security Services (Australia)	23,945.35	52.32%	21,925.88	56.95%	22,509.35	63.14%
Cash Logistics	1,651.28	3.61%	2,869.58	7.45%	2,020.58	5.67%
Electronic Security	69.34	0.15%	108.65	0.28%	129.21	0.36%
Cleaning and Facility Operation and Management	3,869.38	8.45%	826.51	2.15%	512.60	1.44%
Pest and Termite Control	80.39	0.18%	53.54	0.14%	43.26	0.12%

Our Private Security Services Business

Our private security services business includes security services, cash logistics services, electronic security and home alarm monitoring and response.

Security Services

India

We are the second largest security services provider in India, in terms of revenue as of March 31, 2016, and the fastest growing security services provider in India, based on revenues for Fiscal Years 2010 to 2014, according to Frost & Sullivan. Our security services business in India consists of providing security solutions, including planning and deployment of security guards, security officers, armed guards, firemen, dog handlers, consulting, investigation works and command and control centre employees. Our security services business employed 96,504, security guards and rendered security services at 9,328 customer premises servicing 3,000 customers, as of April 30, 2017. Our key customers in India include leading businesses in a wide range of sectors such as banking and financial services, IT/ ITeS and telecom, automobile, steel and heavy industries, governmental undertakings, hospitality and real estate, utilities, educational institutions, healthcare, consumer goods, engineering and construction. We also provide security services to several Government organizations and public sector undertakings in India.

Six out of our top 10 customers have been our customers for over five years. For Fiscal Year 2017, 16.55% of our revenue from operations from security services in India were derived from these customers in the top 10, who have been with us for over five years. The following table sets forth certain information relating to our security services business in India for the periods indicated:

Security Services in India	**Fiscal Year 2017**	**Fiscal Year 2016**	**Fiscal Year 2015**
Revenue from operations *(₹ in millions)*	15874.80	12,548.02	10,262.65
Revenue from operations as a % of Total Revenues	34.68%	32.59%	28.79%
Revenue contribution by top 10 customers as % of Revenue from operations	22.82%	28.13%	30.39%
Number of security guards	94,281	81,685	72,953
Number of customer premises served	9,044	7,252	6,681
Number of customers served	2,890	2,359	2,016

Australia

Freedonia ranks our wholly-owned Subsidiary, MSS, as the largest security services provider in Australia, jointly with a competitor, in terms of revenues, as of March 31, 2015. We acquired Chubb Security's security services business in Australia in August 2008 and operate it through MSS. We also provide mobile patrol services through our subsidiary, SXP, which is Australia's largest mobile patrol and alarm response provider with national coverage, as of March 31, 2015, according to Freedonia. We employed 5,560 security personnel in Australia, as of April 30, 2017.

We provide a full range of services across all market segments in Australia ranging from providing trained security personnel for general guarding to specialized security roles. We provide static guarding, including access control and control room monitoring, aviation and maritime screening, centralized video surveillance, alarm monitoring and response, roving and mobile patrols, escort guards, emergency response, planning, and exercises, first aid and medical support, traffic management, customer service security training, risk analysis, consulting, concierge and event management services. We deliver these services and other quality paramedic and allied health, fire rescue and specialized training services to key customers in the aviation, defense, healthcare, mining, natural resources, manufacturing, education and heavy construction industries. We also provide security services to several Government organizations in Australia.

Our market share of the Australian security services industry was 18%, in terms of revenue, as of March 31, 2015, according to Freedonia. All of our top ten customers in Australia have been our customers for over five years and together accounted for 42.82% of our revenue from operations for Fiscal Year 2017.

The following table sets forth certain information relating to our security services business in Australia for the periods indicated:

Security Services in Australia	**Fiscal Year 2017**	**Fiscal Year 2016**	**Fiscal Year 2015**
Revenue from operations *(₹ in millions)*	23,945.35	21,925.88	22,509.35
Revenue from operations as a % of Total Revenues	52.32%	56.95%	63.14%
Revenue contribution by top 10 customers as a % of Revenue from operations	42.82%	43.6%	42.5%
Number of security personnel	5,587	5,201	5,301
Number of customers served	244	223	241

Cash Logistics Services

We commenced our cash logistics business in India, in 2003. We are the second largest cash logistics service provider in India, in terms of market share by revenue, number of employees, ATMs served and cash vans utilized, as of March 31, 2015, according to Frost & Sullivan. In May 2011, we entered into a joint venture in India with Prosegur, which was assigned by Prosegur to Singpai Private Limited ("**Singpai**"), an affiliate of Prosegur to set up SIS Cash Services Private Limited ("**SIS Cash**"), our joint venture entity. We transferred our existing cash logistics business to SIS Cash by way of a business transfer. In terms of the joint venture, SIS Cash is permitted to conduct its cash management business through all of our branches, and we provide certain shared services, ranging from infrastructure and maintenance to support personnel, access to installations, equipment and physical assets. Similarly, Prosegur has licensed its cash-in-transit technology comprising of information, software, hardware, processes, mechanisms and know-how to SIS Cash for use in its business.

Further, in December 2014, we acquired the cash and valuables services division of ISS in India to grow our cash logistics business. The acquired business enlarged our footprint in South and West India with its strong customer base and wide network in these regions adding to our significant presence in North and East India. We have also been able to grow our cash logistics business in underserved markets such as North East India. In addition, our joint venture entities, SIS Cash and SIS Prosegur, entered into a business transfer agreement dated October 20, 2016, to acquire specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security, by way of a slump sale, effective December 10, 2016, for an aggregate consideration of up to ₹180.00 million, subject to certain conditions.

Our cash logistics business consists of the following heads of operations: (a) cash in transit, including transportation of bank notes, coins, smart cards, passports, documents and other valuables, (b) doorstep banking, including pickup and delivery of bank notes, coins, smart cards and any other valuables as well as cash processing, (c) ATM related services including ATM replenishment, first line maintenance services delivered around the clock and cash processing for ATMS including counterfeit note verification, cash sorting and specialized packaging; and (d) safekeeping and vaults related services including transporting and storing valuables such as jewellery, bullion and cash. Through our cash in transit, doorstep banking, ATM related services and bullion and cash vaulting services in our cash logistics operations we service a diverse set of clients which include leading banks, financial institutions, the organized retail industry and jewelry processing units, thus reducing our reliance on any particular set of customers or business segments.

As of April 30, 2017, we provided services in cities and towns across India, including major cities such as Delhi, Chennai, Mumbai, Hyderabad and Kolkata, with a network of 80 branches including shared branches, having 59 vaults and strong rooms. In addition, as of April 30, 2017, we operate 2,518 cash vans, both owned and leased. We also operated 2,748 cash routes and have set up a secure cash processing unit at New Delhi, to service our customers' needs.

Our market share of the cash logistics industry in India was approximately between 10.0% to 11.0%, in terms of revenue, as of March 31, 2015 according to Frost & Sullivan. 79.80% of our revenue from operations for cash logistics, for Fiscal Year 2017, was derived from our top 10 customers. The following table sets forth certain information relating to our cash logistics business for the periods indicated:

Cash Logistics	**Fiscal Year 2017**	**Fiscal Year 2016**	**Fiscal Year 2015**
Revenue from operations *(₹ in millions)*	1,651.28	2,869.58	2,020.58
Revenue from operations as a % of Total Revenues	3.61%	7.45%	5.67%
Revenue contribution by top 10 customers as % of Revenue from operations	79.80%	80.29%	79.47%
Number of billing employees	10.281	9,521	9,602
Number of routes served	2,821	2,488	2,582

Electronic Security

We commenced our electronic security business in India in Fiscal Year 2011, which consists of providing electronic security as a service ("**ESAS**") to business entities as well as Government organizations. We work with reputed system integrators and installers to provide integrated and turnkey electronic security and surveillance solutions combining electronic security with trained manpower i.e. a blend of physical and technology based services, comprising our 'Man-Tech' solutions. These services utilize physical security presence with smart use of technology like camera, NFC cards, GPS devices, remote monitoring among others to optimize our service offering. Our service and product offerings also include CCTVs, access control systems, entry automation solutions, intrusion detection systems, scanners and explosive detection, metal detection solutions, fire detection and public address systems. We provide end to end services including conducting surveys, requirement analysis, solution designing and implementation and installation of electronic security systems. We also offer customized security packages to meet the needs of customers in India in a wide range of industries such as warehousing, construction, retail, banking, educational institutions and hospitality and also provide electronic security solutions to certain customers of our security services in Australia.

Our electronic security business employed 46 personnel as of April 30, 2017. The following table sets forth certain information relating to our electronic security business for the periods indicated:

Electronic Security	**Fiscal Year 2017**	**Fiscal Year 2016**	**Fiscal Year 2015**
Revenue from operations *(₹ in millions)*	69.34	108.65	129.21
Revenue from operations as a % of Total Revenues	0.15%	0.28%	0.36%
Number of employees (as of March 31 for the relevant Fiscal Year)	46	37	33

Home Alarm Monitoring and Response

In January 2016, we entered into a joint venture with Singpai Alarms Pte. Ltd. ("**Singpai Alarms**"), an affiliate of Prosegur, with the intention to provide home alarm monitoring and response services in India, through SIS Prosegur Alarm Monitoring and Response Services Private Limited ("**SIS Alarms**"). In terms of the joint venture agreement, Singpai is to provide technical support and expertise including procuring, supplying or licensing products and processes and allowing us access to its international distribution network. Further, we provide certain shared services to SIS Prosegur Alarm, including provision of ERP platforms, accounting support services, legal support, insurance, treasury support, employee administration support and liaison with government and regulatory authorities. In addition Prosegur and our Company have licensed the use of the "Prosegur" and "SIS" trademarks, respectively, for use by SIS Prosegur Alarm in its business.

We have commenced home alarm monitoring operations in November 2016. We are initially offering our services to households, though we also intend to offer such services to small businesses in 2017. We currently provide end-to-end alarm monitoring and response covering installation, monitoring and emergency response in relation to fire alarm systems, fire suppression systems, intruder and burglar alarms, medical and personal emergency systems and perimeter protection systems. We have established a remote alarm monitoring centre that is operational 24 hours a day and seven days a week. We have also entered into arrangements to enable our customers to avail of easy monthly payment options to utilize our services.

Facility Management

Our facility management business includes providing services such as cleaning and repair services and facility operation and management services, as well as pest and termite control services.

Cleaning and Facility Operation and Management services

In March 2008, we entered into an exclusive license agreement with ServiceMaster for the 'ServiceMaster Clean' brand, and associated proprietary processes, operating materials and knowhow in order to develop our facility management business in India. Subsequently our Company assigned our rights associated with the license agreement with ServiceMaster, to our Subsidiary, Service Master Clean Limited.

In addition, effective August 1, 2016, we acquired 78.72% of the outstanding equity shares of Dusters for an aggregate acquisition cost of ₹ 1,169.03 million. Further, the share purchase agreement provides for acquisition of 100.00% of the outstanding equity shares of Dusters, by August 2019, in one or more tranches, and at a price to be determined according to a pre-agreed valuation formula (pursuant to which we have acquired a further 7.20% of the outstanding equity of Dusters on July 31, 2017). Dusters is the fourth largest facility management service provider in India as of March 31, 2016, in terms of revenues, according to Frost & Sullivan. We have the right to appoint the majority of the directors to the board of Dusters and have retained the existing management to continue managing Dusters.

Our facility management business comprises of: (a) soft facility management including cleaning and repair related services such as cleaning and janitorial services, services provided for management of tenants of commercial or institutional buildings (such as glass and façade cleaning, window cleaning, carpet cleaning and furniture cleaning) restoration and clean-up of damage occasioned from fires, floods, earthquakes or other natural disasters, and other cleaning services in households, apartments and housing societies; and (b) hard facility management i.e. facility operation and management services such as provision of receptionists, lift operators, electricians and electrical service and plumbers. With the acquisition of Dusters we also offer specialized healthcare services including critical areas cleaning in operation theaters and intensive care units, HVAC and air conditioning maintenance, warehouse, plumbing and water management as well as pantry and steward services, office assistance and help desk and payroll management.

As of April 30, 2017, we service 2,541 customer premises in India through 30 branches, including shared branches. Our customer premises and branches spanned across major cities in India such as Mumbai, Bengaluru, Chennai, Delhi and Kolkata. Our cleaning and facility operation and management business employed 38,567 personnel, as of April 30, 2017. Our key customers include businesses in the industrial and manufacturing, IT/ITeS, retail, commercial space, hospital, hotel and educational sectors. Our facility management business also services certain Government organizations and we intend to leverage on Government outsourcing initiatives in India, including the 'Swachh Bharat' cleanliness and sanitation drive covering rural and urban areas in India, as well as tenders from large governmental and public sector enterprises including the Indian Railways to further grow our business.

17.33% of our revenue from operations from our facility management business, excluding the impact of Dusters acquisition for Fiscal Year 2017, were derived from customers who have been with us for over three years. The following table sets forth certain information relating to our facility management business, for the periods indicated:

Cleaning and Facility Operation and Management	**Fiscal Year 2017***	**Fiscal Year 2016**	**Fiscal Year 2015**
Revenue from operations *(₹ in millions)*	3,869.38	826.51	512.60
Revenue from operations as a % of Total Revenues	8.45%	2.15%	1.44%
Number of billing employees	37,371	9,971	6,292
Number of customer premises served	2,541	1,348	780

**includes the impact of our acquisition of Dusters, effective August 1, 2016*

Pest and Termite Control

In August 2011, we entered into a joint venture agreement with an affiliate of Terminix, SVM Services (Singapore) Pte Limited ("**SVM Services**") to set up Terminix SIS India Private Limited ("**SIS Terminix**") and provide pest control and termite solutions for households, businesses and industrial establishments including distribution of allied pest control products in India. In terms of the joint venture SVM Services provides technical support, knowledge and expertise in pest and termite operating models and customer service solutions to SIS Terminix. Terminix has licensed various operating materials, processes, recipes, information, hardware, methods mechanisms and knowhow to SIS Terminix. SIS Terminix also conducts business through our branches and we provide certain shared services including accounting, legal, insurance, treasury, employee administration. Terminix and our Company have licensed the "Terminix" and "SIS" trademarks, respectively, to SIS Terminix to develop a co-brand 'SIS Terminix'.

Our services include treatments for termites, cockroaches, rats, mosquitoes, flies and other common pests that are health hazards. Our key customer segments include restaurants, food processors, healthcare facilities, lodging and hospitality, manufacturing and warehouses, offices, educational facilities and residences. As of April 30, 2017, we rendered pest and termite control services through 13 branches, including shared branches. Our branches spanned across major cities in India such as Delhi, Mumbai, Chennai, Hyderabad and Bengaluru.

The following table sets forth certain information relating to our pest and termite control business for the periods indicated:

Pest and Termite Control	**Fiscal Year 2017**	**Fiscal Year 2016**	**Fiscal Year 2015**
Revenue from operations *(₹ in millions)*	80.39	53.54	43.26
Revenue from operations as a % of Total Revenues	0.18%	0.14%	0.12%
Number of billing employees	261	162	126

Scheme of Demerger

On September 20, 2016, our Board of Directors and the board of directors of SMC approved a scheme for the proposed de-merger and transfer of certain businesses, namely, our consultancy and investigation business and SMC's payroll outsourcing business to SIS Asset Management (formerly known as Tech SIS Access Management Private Limited), a member of our Promoter Group and a Group Company. Subsequently, jointly with SMC and SIS Asset Management, we have filed an application with the NCLT (Kolkata bench) on January 13, 2017 seeking orders for dispensation from convening the meetings of shareholders and creditors of SIS, SMC and SIS Asset Management to approve the scheme. Further, NCLT, Kolkata Bench, by its order dated May 26, 2017, has directed to convene the meeting of the equity shareholders of SIS and meetings of the secured and unsecured creditors of SIS and SMC for approval of the proposed scheme of demerger. As per the order of NCLT (a) the Company has despatched the notices of meetings to equity shareholders and creditors of the Company (i) and (b) SMC has despatched the notice of meeting to the creditors of SMC. Further, these meetings were subsequently conducted on July 24, 2017, at which, the scheme was approved by the shareholders and creditors of our Company and creditors of SMC. Accordingly, the scheme of de-merger is subject to (a) consents and approvals of the Central Government or any government authorities, (b) the approval of the NCLT, (c) certified copies of the orders of the NCLT being filed with the RoC, and (d) compliance with any other conditions as may be imposed by the NCLT. The scheme of demerger will also require consents from third parties, including lenders, creditors and contractual counterparties of our Company, SMC and SIS Asset Management. The terms of the scheme may be revised or amended accordingly, or, if we fail to obtain any such consent or approval, the scheme of de-merger may not be implemented at all. As per valuation reports received by our Company, the collective market value of the 16 immovable properties owned by our Company and three investments by SMC, which form part of the business being demerged, aggregated to ₹ 868.69 million.

For further details see "*History and Certain Corporate Matters – Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets - Proposed demerger of the certain businesses of our Company and SMC*" on page 203.

Key Customers

We have maintained our long-term relationships with our key customers both in India and Australia. Our customers operate across a variety of industries and sectors, which include banking and financial services, IT/ ITeS and telecom, automobile, steel and heavy industries, governmental undertakings, hospitality and real estate, utilities, educational institutions, healthcare, consumer goods, engineering and construction, which reduces our vulnerabilities to economic cycles and dependence on any particular set of customers. We believe our ability to offer customized private security and facility management services to fit the needs of our customers across our various business segments allows us to deepen our relationships with our customers and enables us to target a greater share of their requirements. We rendered security and facility management services at 11,869, 8,600 and 7,461 customer premises as of April 30, 2017, March 31, 2016 and 2015, respectively, in India.

The historical breakdown of our revenue from operations from our security services business in India, by customer segment, is as follows:

	Revenue from Operations – Security Services (India)					
	Fiscal Year 2017		**Fiscal Year 2016**		**Fiscal Year 2015**	
	(₹ in millions)	*as a % of total Revenue from Operations from Security Services in India*	*(₹ in millions)*	*as a % of total Revenue from Operations from Security Services in India*	*(₹ in millions)*	*as a % of total Revenue from Operations from Security Services in India*
BFSI	2,280.17	14.36%	2,306.30	18.38%	1,983.50	19.33%
IT/ITES and Telecom	1,888.39	11.90%	1,567.80	12.49%	1,200.30	11.70%
Automobile	1,410.36	8.88%	1,101.20	8.78%	827.00	8.06%
Steel, Heavy Industries	960.06	6.05%	854.30	6.81%	773.60	7.54%
Government	1,259.30	7.93%	820.10	6.54%	624.70	6.09%
Hospitality, Real Estate and Townships	888.12	5.59%	646.80	5.15%	523.50	5.10%
Utilities	751.77	4.74%	553.30	4.41%	457.10	4.45%
Educational Institution	787.98	4.96%	547.00	4.36%	457.50	4.46%
Healthcare	801.12	5.05%	480.90	3.83%	341.60	3.33%
FMCG	572.90	3.61%	452.20	3.60%	372.50	3.63%
Others	4,274.63	26.93%	3,218.12	25.65%	2,701.35	26.32%
Total	**15,874.80**	**100.00%**	**12,548.02**	**100.00%**	**10,262.65**	**100.00%**

In India, we typically execute written contracts with our key customers for a term of 12 months, renewable by mutual consent and terminable, with or without written notice, by either party. Typically, the payments obligations of our customers, in terms of the services contracts executed for our Indian security services business, are expressed as the sum of the wages paid to the personnel provided to such customers, together with a fixed percentage increment over such wages. Further, some of these agreements require us to provide indemnity to our customers, with respect of any negligent act, or omission by or our misconduct of our employees.

In Australia, contracts with our customers are typically for terms of three to five years, with an optional renewal period of an additional two to five years. Under the terms of our customer agreements, typically, parties have a right to terminate without cause, upon giving reasonable notice.

Employees and Human Resources

We categorize our employees as 'billing' employees who are deployed at customer premises and 'non-billing' employees who perform non-customer facing functions, including administrative and support functions. As of April 30, 2017, we had an employee base of 154,432 personnel across India and Australia, with billing employees of 102,064 security personnel, 37,997 housekeeping and cleaning staff and 9,980 employees engaged in our cash logistics business. The historical breakdown of our employees by 'billing' and 'non-billing' employees is as follows:

	Number of Employees as of		
	April 30, 2017	**March 31, 2016**	**March 31, 2015**
Billing	150,325	106,540	94,274
Non-Billing	4,107	3,598	3,632
Total	**154,432**	**110,138**	**97,906**

The historical breakdown of our employees by business lines is as follows:

Business Lines		***Number of Employees as of (including billing and non billing)***		
		April 30, 2017	**March 31, 2016**	**March 31, 2015**
Private Security	*Security Services (India)*	98,,609	83,742	74,859
	Security Services (Australia)	5,754	5,395	5,479
	Cash Logistics	11,024	10,570	10,882
	Electronic Security	48	37	33
	Home Alarms	56	5	NA
Facility Management	*Cleaning and Facility Operation and Management*	38,567	10,157	6,454
	Pest and Termite Control	374	232	199
Total		**154,432**	**110,138**	**97,906**

Our employees are not unionized, other than certain employees in our cash logistics business in Maharashtra; and certain employees of our Subsidiary, Dusters, deployed at eight client premises in Pune, Kolkata and Mumbai (Govandi and Goregaon), who are members of worker's unions for the employees of our clients to whose premises they are deployed. We have also entered into collective bargaining arrangements with certain of our security personnel in Australia.

Our performance parameters and assessment of our employees are tied to a capability analysis of each employee, resulting in an identification of high performing employees as well as underperforming employees which may require additional training. The employee rating is based on key performance indicators computed using data collected from our ERP systems. The employee performance score forms the basis of the rating and annual compensation revision and any incentives. We also aggregate these results for each branch to generate a branch scorecard and assess branch performance and remuneration of our branch managers.

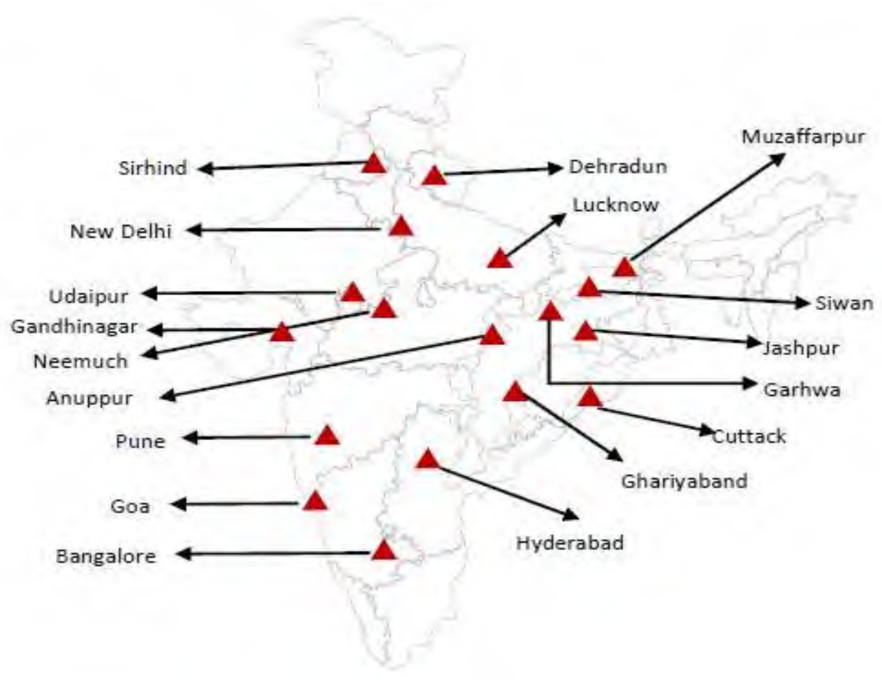
Remuneration for certain managerial employees comprises of a fixed component together with performance linked benefits in the form of annual increments, bonus or incentives at the discretion of management based on specified performance parameters. In addition, we occasionally announce incentive schemes at the beginning of a Fiscal Year which is based on key financial performance parameters to be achieved.

We have introduced a range of employee welfare and benefit programs including SIS Employee Welfare Activity Charitable Trust ("**SEWA**"), which provides financial assistance such as loans, emergency financial aid and insurance to employees in need. We also provide accident insurance cover to all employees. In addition, we have instituted an employee grievance redressal system, run by an employee relations cell, which can be reached through a toll-free hotline. We provide certain education benefits to meritorious children of our employees by way of reserved seats and monetary incentives to attend Indian Public School, Dehradun, a boarding school, and have instituted an employee stock option plan for employees of our Company and Subsidiaries, with options being issued to guards and operational personnel as well. For further details on our employee stock option schemes see "*Capital Structure – Notes to Capital Structure – Employee Stock Option Schemes*" on page 118.

Recruitment and Training Initiative

In India, we have a recruitment and training division to develop and train personnel. We have a detailed recruitment process, based on a transparent score-oriented selection. We recruit our personnel based on a rigorous assessment of physical parameters such as height, weight and fitness and qualifications such as educational background, determined according to the suitability for the relevant security role. Further, for lateral recruitments at the branch level, we only hire personnel who have gained relevant experience in similar jobs and also meet our detailed evaluation criteria.

We provide regular training and development in order to enhance the skills and competencies of our entire workforce. We currently have 18 training academies across India, employing 56 trainers as of April 30, 2017 and providing training to security personnel, armed guards, firemen, dog handlers and command and control centre employees for our security services business as well as personnel of our other business lines such as cash custodians for cash logistics and janitors and janitorial management trainees for facility management. We successfully trained 26,079, 19,138 and 19,010 new personnel for our security services business, in Fiscal Years 2017, 2016 and 2015 respectively. The map below demonstrates the geographical spread of our training academies in India:



Note: map not to scale

Our recruitment, training, deployment and management procedures are technology driven with detailed reporting and tracking systems in place. The training modules and content delivered to our personnel at our training academies and customer premises has been developed over the course of our operation and reflects our extensive experience and is also periodically updated to reflect current risk assessments, security needs and modern technologies and equipment. We have developed content focused modules which are being converted to rich media and video-graphic formats which enable greater standardization, ease of delivery, wider dissemination and lower reliance on teaching staff. Untrained security services employees typically undergo physical and classroom training over an average of 30 days, covering over several modules including training drills, security skills, computer, industrial and electronic equipment handling and fire and safety. Personnel recruited for specialized roles such as armed guards, cash custodians, firemen, dog handlers and consulting and investigation experts undergo additional training customized for their specific roles. The training process also includes an in-person induction, customer introduction as necessary, site and role familiarization and any other customer specific requirements including additional background checks and clearances. We have also developed training content specific to the business segments in which our customers operate.

In addition, we have a pipeline of qualified operational managers through our graduate trainee officer program in India. Our graduate trainee officer program is focused on the recruitment and training of our operational managers in India, with an emphasis on developing a management cadre with in-depth knowledge of our business. We believe our graduate trainee officer program has been successful providing a career path to talented employees, with 13 out of 14 executive and regional vice presidents, 74 out of 149 security services branch managers, and managers at all 18 training academies in India, having been trained under the program, as of April 30, 2017

In relation to our Australian security services business we operate four training academies at Brisbane, Adelaide, Melbourne and Perth, which are duly accredited and grant security licenses and training certificates to our personnel. Our recruitment process is based on a multi-tiered selection process typically involving advertising, initial literacy and numeracy assessment, phone screening, written selection tests, in-person interviews and medical assessment and we also carry out psychometric assessment including cognitive emotional intelligence and work reliability assessments.

We believe that our personnel recruitment and training initiatives drive employee loyalty and retention, quality assurance and brand recognition, and ensure that we are able to consistently deliver high quality services to our diverse customer base.

Health and Safety

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy that is aimed at ensuring the safety of our employees and the people working at our customer sites or under our management. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We have implemented work safety measures to ensure a safe working environment at our customer sites and to the general public.

Information Technology

We use an information management system to facilitate the flow of information among all our business functions, thereby ensuring quick decision making of key business processes and other routine functions. We aim to avoid duplication of efforts across different departments and thereby facilitating faster processing of work, payments and invoices. We also use our information management system to assist in day-to-day management, support strategic planning and help reduce operating costs by facilitating operational coordination across functional departments.

We have developed an in-house integrated ERP system that connects all our branches to facilitate and support our sales and marketing functions, track financial transactions support our overall reporting process. Our branches are connected to the centralized ERP system, which provides reports and operational data to facilitate monitoring, control and management of operations across India. Further, we are in the process of integrating third party systems developed and deployed in relation to our joint ventures for our cash logistics and pest and termite control services with each other and our in-house ERP system.

In relation to our Australian business, we have deployed third party technology systems for financial accounting, data collection, analysis, reporting and customer relations management. These systems are integrated to provide seamless reporting to aid management in analysis, monitoring and decision making. We regularly collect data through these systems to generate reports on incidents, weekly and monthly activity and quality and compliance inspections. We have deployed a service assurance system, which is combined with tablets or smart-phones for real-time response. Further, we have put in place an online learning management system to enable customer specific and tailored training, vehicle and personnel tracking and centralized roster, compliance and leave management systems.

In addition, we have invested in internet and cloud-based technology and deployed 'iOps' (our mobile enabled security operations platform). Our 'iOps' platform relies on mobile and cloud technology to render detailed data analytics, enable workflow automation, and generate detailed info-graphic dashboards. The 'iOps' technology enables inspection of our personnel including tracking attendance for day and night shifts as well as barrack discipline and presence, optimizes route planning and compliance with our policies and procedures, enables us to render focused customer service with tracking for bill submission and collection and action on customer complaints and also supports disbandment control and replacement of employee service kits.

Risk Management Strategy

Understanding and managing the risks to both customers and our employees is a central part of our business. We carry out an ongoing analysis of all business processes for the detection, evaluation and management of risks and continually review our security routines and have made significant investments to improve security in our business. We have in place a detailed internal authority matrix and carry out periodic internal audits including monthly business reviews and quarterly external audits.

By virtue of the nature of the security services industry we are often exposed to emergency situations and security breaches. We have in place detailed operating procedures and emergency response guidelines. Further, processes for managing both operational and financial risks are continually developed and supplemented with updated technologies and know-how. Our risk management strategy is distinctively communicated internally. We also have in place a comprehensive code of ethics and conduct, which governs our relationship with our employees, financial investors and other stakeholders including a whistleblower policy for bringing to attention any misconduct or inappropriate conduct, which may violate guidelines for immediate remedial action. In order to safeguard our IT systems, we have also instituted a disaster recovery plan (DRP), including detailed procedures to recover and protect our business IT infrastructure in the event of a disaster.

In Australia, we have instituted a detailed customer relations management protocol which includes oversight by business managers and service delivery coordinators to ensure client contractual compliance and adherence to relevant employment legislation. We currently employ various business managers who are tasked with overseeing and monitoring customer contracts as well as overseeing and supporting personnel deployed in relation to such contracts. Customer support is further carried out by client and staff support functions in each state such as human resources, safety, training and service support staff and through systems such as our in-house roster system ('rolecall'), online training system ('elmo') and our service assurance system ('SAS').

In relation to our cash logistics business, we have introduced several additional risk management measures. For instance, we have implemented technology and software systems for access control in the ATMs that we manage, which are operated through a centralized operations hub. We have also installed portable cameras in relation to certain of our ATM operations, installed global positioning system and tracking devices in our cash vans and restricted repeat access of routes by our vans by monitoring their schedule and requiring special authorization in case of repeat access of routes by vans. Further, our recruitment procedure includes background checks through an independent third party agency, registration and verification at the branch level and submission of standardized documentation such as addresses, employment references and identification proof. We have also created a strong audit and compliance team which oversees the recruitment, training and verification of data in relation to our cash logistics personnel and audits and verifies the route protocols, vaulting protocols and cash balances at the ATMs and vaults.

We seek to prevent financial losses and to minimize accepted risks. For instance, we have attempted to minimize the risk related to the availability of trained manpower and service quality by building training infrastructure and an automated recruitment system, to monitor quality and employee backgrounds. Our personnel deployed at customer premises are assessed at regular intervals to check their mental and physical fitness and competence to carry out their duties. We have established guidelines for the conclusion of contracts and to limit risks should unforeseen events occur. We have also appointed teams to monitor compliance with applicable labour laws. Our Company also instituted a Compliance Board comprising of a former chief labour commissioner, former chief of the provident fund commission and a former employee of the Employee's State Insurance Corporation. The Compliance Board provides a quarterly update to the Board of Directors on employee related compliance matters including applicable labour laws.

See "*Risk Factors - Operational risks are inherent in our business as it includes rendering services in challenging environments. A failure to manage such risks could have an adverse impact on our business, results of operations and financial condition.*" on page 20.

Sales and Marketing

Our sales and marketing team consists of 177 employees in India, as of April 30, 2017. Our sales acquisition process is divided into three tiers on the basis of customers: (i) national customers including large corporations with nation-wide requirements and for an annual contract value over a certain threshold being targeted by a national accounts group; (ii) regional customers requiring pan-region or state-wide service for mid-tier contract values are targeted by regional sales managers; and (iii) local customers being small businesses, hotels, commercial and retail establishments are targeted by branch level sales executives or managers. Our initiatives to encourage sales growth include increase in the numbers of our sales team, deployment of updated and standardized sales kits, introducing a sales incentive and rewards program and conducting detailed post-sales review and interaction. In Australia, our sales and marketing team comprises of 11 employees, as of April 30, 2017, responsible for developing new business opportunities and a national bid centre, responsible for preparing our bids to customers.

We have deployed 'SalesMaxx' in March 2017, which is our portable tablet sales kit initiative aimed at enhancing sales productivity focusing on developing a mobile and readily accessible database of prospective customers, standardizing communications and responses to prospective customers, developing customer oriented and customized sales pitches, enhancing the productivity of our sales force and tracking the results and status of potential customers in real-time, all resulting in efficient and timely sales reporting. 'SalesMaxx' initiative will has enabled us to gain detailed analysis on individual performance of our sales personnel and reduce the time spent on administrative processes.

Intellectual Property

We have a registered trademark in India relating to our name, and we have licensed certain other trademarks. The registered trademarks are valid for a period of 10 years from the date of application or renewal. Further, our trademark "SIS – Total Security Solution Provider" is not duly registered under the applicable class in India and we have made four applications dated September 6, 2016 for registration of this trademark under the applicable class. For further details, see "*Government and Other Approvals – Intellectual property related approvals*" and "*Risk Factors – Our inability to protect or use our intellectual property rights may adversely affect our business*" on pages 499 and 46, respectively.

Insurance

Our operations are subject to certain hazards in relation to the risk faced by our security guards and security officers in the course of their employment, conduct of our employees and security personnel, risk of equipment failure, work accidents, theft, burglary, vandalism, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment or cash that is in our possession and environmental damage. Our principal types of insurance coverage include:

(i) group medical and group personal accident policy;
(ii) workmen's compensation insurance;
(iii) professional indemnity policy (including medical malpractice in Australia);
(iv) fidelity guarantee policy;
(v) directors and officers liability cover policy;
(vi) fire, theft and special perils policy; and
(vii) directors and officers liability policy.

Our policies may expire in the normal course of our operations and we typically renew our insurance policies periodically. Our insurance policies may not be sufficient to cover our economic loss.

See "*Risk Factors - Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations and financial condition*" on page 45.

Competition

According to Frost & Sullivan, the market for security services in India is highly fragmented and consistent growth in demand has led to entry and expansion of competition. Organized players currently dominate about 20% of the market revenues and unorganized companies constitute the remaining 80%. However, Frost & Sullivan anticipates that competition from national and regional operators is likely to dominate close to 90% of the market in India by Fiscal Year 2020. Our key competitors in the organized sector include G4S, ISS, Checkmate, Securitas, Tops, Premier Shield and Peregrine. Further, according to Frost & Sullivan competition in cash logistics services market is restricted to organized companies owing to the nature of business which involves huge volumes of cash and associated risks, with some of our key competitors being CMS Info Systems, Brink's Arya, Writer Safeguard and Securevalue.

According to Freedonia, approximately 60.00% of the Australian security services market is controlled by the top seven providers, with MSS being one of the two largest providers. Our key competitors in the security services industry in Australia are Wilson Security, Securecorp, SNP and ISS.

The competition for electronic security services market includes large original equipment manufacturers that possess system integration and service capabilities dominate the market, distributors and system integrators with installation and operation and management capabilities as well as unorganized companies and private security companies.

The facility management market in India is highly unorganized and currently consists of more than 500 companies operating across different regions in India. Some of our competitors in this segment are ISS Integrated Facility Services, Bharat Vikas Group, Updater Services, Property Solutions India, Quess Corp Limited, Tenon Property Services, OCS India and Krystal Integrated Services. The Indian pest and termite control services market is highly fragmented with the presence of many small service providers. Our key competitors include Pest Control India, Hicare, Rentokil, Updater Services, Orion Pest Solutions and Indo Gulf American Pest Control. See "*Industry Overview*" on page 149.

Corporate Social Responsibility

We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by Central Government. Our CSR Committee was constituted in April 2014. In terms of our CSR Policy, our CSR activities are primarily focused on initiatives relating to education, vocational training, drinking water projects and health. In addition, our CSR projects included drinking water projects for local communities, domestic and community sanitation for rural and urban households and other water conservation programs in Delhi, Bihar and Uttar Pradesh, India. We worked to provide health check camps, building hospitals, clinics, diagnostic centers and associated infrastructure, blood donation camps and other specific ailment camps in Delhi, India. Our CSR activities are monitored by the CSR Committee of our Board. For details of our CSR Committee, see "*Our Management – Corporate Governance – Corporate Social Responsibility Committee*" on page 263. Our CSR activities in Australia include charitable donations, employee assistance program rendering counseling services, funeral assistance plan for employees, among others.

During the year ended March 31, 2017, we had spent an amount of ₹16.92 million in CSR activities, for further details see "*Financial Information*" on page 287.

Properties

Our registered office is located at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna, Bihar 800010 India and our corporate office is located at A 28 & A 29, Okhla Industrial Area, Phase I, New Delhi 110020. Our registered office is situated on premises leased from Rita Kishore Sinha, a member of our Promoter Group, for a period of five years ending March 31, 2018 (with an option for renewal for a further period on mutually agreeable terms). Our corporate office is owned by Sunrays and Vardan, which are indirect Subsidiaries of our Company and is leased to our Company for a period of two years ending August 31, 2017 (with an option for renewal for a further period on mutually agreeable terms).

See "*History and Certain Corporate Matters – Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets - Proposed demerger of the certain businesses of our Company and SMC*" for a description of, and developments in relation to the Demerger Scheme, which contemplates transfer and vesting of the investment of SMC in Sunrays and Vardan, who own our corporate office, to SIS Asset Management, a member of our Promoter Group and a Group Company.

REGULATIONS AND POLICIES

The following is an overview of certain sector-specific relevant laws and regulations which are applicable to the operations of our Company, Subsidiaries and operating Joint Ventures. The information detailed in this chapter has been obtained from publications available in public domain. The description of laws and regulations set out below is not exhaustive but indicative, and is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice.

Key Indian regulations applicable to our Company and our business

The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, quasi-judicial or judicial decisions.

Private Security Agencies (Regulation) Act, 2005

The PSARA is the primary legislation for the regulation of private security agencies in India. Any person or body of persons other than a government agency, department or organisation engaged in the business of (a) providing private security services or (b) providing training to private security guards or their supervisors or (c) providing private security guards to any industrial or business undertaking or a company or any other person or property, are regulated by the PSARA, and are required to obtain a license for undertaking such activities.

Private security agencies licensed under the PSARA are required to obtain prior permission for providing private security services abroad. A license granted under PSARA is valid for a period of five years, unless cancelled earlier. In this regard, the PSARA sets forth eligibility requirements to become a private security guard and eligibility conditions for obtaining a license for employing or engaging of private security guards. It also authorises state governments to frame rules for issuance of licenses and prescribes conditions for cancellation and suspension of licenses. Carrying on or commencing the business of a private security agency without a valid licence is an offence punishable with imprisonment for a term of up to one year, or with fine which may extend to ₹ 25,000, or with both.

Conditions for commencement of operations and engagement of supervisors outlined in the PSARA require the licensee to *inter alia,* commence activities within six months of obtaining the license, impart training and skills to its private security guards and supervisors and employ such number of supervisors as specified under the state specific rules. Every private security agency is required to maintain a register containing details of its managers, private security guards, customers and other prescribed details as may be specified by respective state governments. In the event of non-compliance with conditions prescribed in the PSARA, namely, appointment of eligible staff or failure to impart requisite training, the private security agency shall be punishable with a fine extending to ₹ 25,000 and can also be subject to suspension or cancellation of its license. Additionally, upon non-compliance with laws mentioned below, the licenses under the PSARA of private security agencies may be cancelled:

(i) The Payment of Wages Act, 1936
(ii) The Minimum Wages Act, 1948
(iii) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
(iv) The Payment of Bonus Act, 1965
(v) The Contract Labour (Regulation and Abolition) Act, 1970
(vi) The Payment of Gratuity Act, 1972
(vii) The Equal Remuneration Act, 1976
(viii) The Industrial Disputes Act, 1947
(ix) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

Rules for administration of Private Security Agencies

The Central Government has framed the Private Securities Agencies Central Model Rules, 2006 ("**PSA Model Rules**"). Further, State Governments, while making any rules in respect of matters under the PSARA, are required to conform to the Model Rules. The Model Rule set out, *inter alia*, the verification process for private security agencies, conditions of training, standard of physical fitness for security guards, minimum number of supervisors, manner of application/renewal and conditions of license. Pursuant to the Model Rules, numerous states have framed rules in relation to registration and licensing of private security agencies.

Jammu and Kashmir Private Security Agencies (Regulation) Act, 2015

The JSARA is the primary legislation for the regulation of private security agencies in the state of Jammu and Kashmir. To provide private security services in the state of Jammu and Kashmir, a license under the JSARA is required to be obtained from the relevant authority as specified in this legislation. In accordance with this enactment, private security services include protection or guarding of any person and/or their property. A license granted under the JSARA is valid for a period of three years, unless cancelled earlier. In this regard, the JSARA stipulates eligibility requirements to become a private security guard and eligibility conditions for obtaining a license for employing or engaging of private security guards. It also authorises the Jammu and Kashmir state government to notify rules for issuance of licenses and prescribes conditions for cancellation and suspension of licenses.

Regulations regarding firearms and ammunitions

The Arms Act, 1959 and Arms Rules, 1962 (collectively, the "**Arms Regulations**") provide for the legal framework in relation to arms and ammunitions in India. Pursuant to the Arms Regulations, a license is required to be obtained for acquisition, possession of, or carrying of firearms or ammunition. An individual aged 21 years or above, can, subject to provisions of the Arms Regulations, apply for a license for acquisition, possession or carrying not more than three firearms. The Arms Regulations also allow a person to carry any firearms or ammunition in the presence, or under the written authority, of the holder of the licence and for use by such holder, without holding a licence himself.

In accordance with the Arms Rules, 1962, a person can apply for permitting his agent or employee to possess or carry any of the arms or ammunition covered by the license for sport, protection or display, on his behalf. In the event such retainer ceases to be in the service of the owner of an arms license, he shall not be entitled to possess or carry any of the arms or ammunition allowed until then, nor shall any person who subsequently comes in the service of the owner be so entitled until and unless his name and particulars are entered in like manner in the license.

Regulations regarding foreign investment

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 read with the applicable regulations thereunder ("**FEMA Regulations**"). Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA Regulations. In case of any conflict, the FEMA Regulations prevail. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications, among other amendments. The consolidated FDI policy circular of 2016, dated June 7, 2016 issued by the DIPP (the "**FDI Circular**") consolidates the policy framework which is in force as on June 7, 2016 and reflects the FDI Policy as on June 6, 2016. Further, the FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP.

Pursuant to press note no. 5 of 2016 dated June 24, 2016 ("**Press Note 5**"), issued by the DIPP, subject to compliance with PSARA, a private security agency is permitted to have FDI up to 74% wherein FDI up to 49% is permitted under the automatic route and beyond 49% and up to 74% is permitted under the government route. While Press Note 5 was issued in June 2016, corresponding amendments in the permissible FDI limits for private security companies have not been made in Schedule I of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended ("**FEMA Security Regulations**"), which are the applicable FEMA Regulations that set forth terms, conditions, limits and routes of foreign investment in Indian companies. In particular, while the FEMA Security Regulations were amended in December 2016 to conform to the revised limits for most other sectors under Press Note 5, amendments to FDI limits for private security companies under Press Note 5 have not been enacted.

Pursuant to press note no. 8 of 2015 ("**Press Note 8**"), the Government of India has introduced composite caps for simplification of FDI policy to attract foreign investments. Clause 5(e) of Press Note 8 (also included in the FDI policy circular of 2016) provides that irrespective of a sector being under automatic route or the government approval route, portfolio investment of up to aggregate foreign investment level of 49% or sectoral/ statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, as the case may be, if such investment does not result in transfer of ownership and/ or control of Indian entities from resident Indians to non-resident entities.

In May 2017, the Union Cabinet approved phasing out of the FIPB. Subsequently, the Ministry of Finance, GoI, by an office memorandum dated June 5, 2017 notified eleven sectors and activities for proposals for FDI that will be approved by the relevant departments and ministies of the GoI. In terms of the memorandum, FDI propsoals for private security companies will be processed by the Ministry of Home Affairs, GoI. Further, on June 29, 2017, the DIPP issued standard operating procedures for processing of FDI proposals by ministries/ departments, which require proposals to be filed online on the erstwhile FIPB portal, now called the Foreign Investment Facilitation Portal. The standard operating procedures also clarify various aspects on the approval process, including timelines, documentation and the competent authorities for the approval of investments in various sectors.

Shops and commercial establishment's legislations

A number of states in India, including Delhi, West Bengal, Punjab, Haryana, Karnataka and Bihar have passed laws for regulating shops and commercial establishments. Such laws require registrations to be obtained, and also regulate working hours, payment of wages, leave, holidays, terms of service and other conditions of work of persons employed in shops and commercial establishments. Contraventions of provisions of such laws may entail punishment such as imprisonment along with monetary penalty.

Other employment regulations

Certain other laws and regulations that may be applicable to our Company, Subsidiaries and Joint Ventures in India include the following:

(i) Apprentices Act, 1961;
(ii) Child Labour (Prohibition and Regulation) Act, 1986;
(iii) Contract Labour (Regulation & Abolition) Act, 1970;
(iv) Employees Compensation Act, 1923;
(v) Employees Provident Funds and Miscellaneous Provisions Act, 1952;
(vi) Employees State Insurance Act, 1948;
(vii) Equal Remuneration Act, 1976;
(viii) Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
(ix) Minimum Wages Act, 1948;
(x) Public Liability Insurance Act, 1991
(xi) Payment of Bonus Act, 1965;
(xii) Payment of Gratuity Act, 1972;
(xiii) Payment of Wages Act, 1936;
(xiv) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
(xv) The Industrial Disputes Act, 1947;
(xvi) The Maternity Benefit Act, 1961; and
(xvii) Trade Unions Act, 1926.

The Payment of Bonus (Amendment) Act, 2015 notified on December 31, 2015, *inter alia*, increased the wage threshold for determination of the eligibility of employees for bonus payments to from ₹ 10,000 per month to a level of ₹ 21,000 per month with retrospective application from April 1, 2014. See *"Risk Factors - We are subject to several labour legislations and regulations governing welfare, benefits and training of our employees and we are also a party to several litigations initiated by our former or current employees. Any increase in wage and training* *costs or if any pending cases are decided against us, could adversely affect our business, financial condition and cash flows."* on page 23.

Further, the Employees State Insurance (Central) Third Amendment Rules, 2016, notified on December 22, 2016 have increased the wage limit for coverage of an employee towards employee state insurance from ₹ 15,000 per month to ₹ 21,000 per month.

Laws relating to taxation

The tax related laws that are applicable to us include the Value Added Tax as enacted by the states, the Income Tax Act, the Customs Act 1962, the Central Sales Tax Act 1956, the Central Goods and Services Tax, 2017 and various rules and notifications issued by taxation authorities, as may be in force in the states we operate in.

Laws relating to intellectual property

The Copyright Act, 1957 ("**Copyright Act**") governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, copyright protection of a work exists for a period of sixty years following the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

Key Indian regulations applicable to our Subsidiaries and operating Joint Ventures

Apart from the PSARA, which regulates cash management activities as well as private security agencies, and consequently, the business and activities of SIS Cash and SIS Prosegur, our Joint Ventures engaged in cash management business, the following laws are applicable to our Subsidiaries and operating Joint Ventures.

The Insecticides Act, 1968

The Insecticides Act regulates the import, manufacture, sale, transport, distribution and use of insecticides, with a view to prevent risk to human beings or animals and other matters connected therewith. The definition of insecticides includes fungicides and weedicides. Any person who desires to import or manufacture any insecticide is required to apply to the registration committee, established under the Insecticides Act, for the registration of such insecticide. The functions of the registration committee include registering insecticides after scrutinising their formulae and verifying claims made by the importer or the manufacturer, as the case may be, as regards their efficacy and safety to human beings and animals; and perform such other functions as are assigned to it. Any person who desires to manufacture or sell, stock or exhibit for sale or distribute any insecticide, or to undertake commercial pest control operations with the use of any insecticide may make an application to the licensing officer for the grant of a license under the Insecticides Act. SIS Terminix and Dusters, our Subsidiaries are also required to comply with the guidelines, regulations and rules issued by the Central Insecticides Board ("**CIB**"). The functions of the CIB include to advise the central and state governments on technical matters such as the risk to human beings or animals involved in the use of insecticides and the safety measures necessary to prevent such risk and the manufacture, sale, storage, transport and distribution of insecticides with a view to ensure safety to human beings or animals and to carry out the other function assigned to it by or under this Act. The license granted under the Insecticides Act may be revoked or suspended or cancelled in accordance with the provisions of the Insecticides Act. Additionally, a violation of the provisions of the Insecticides Act is punishable by fines, imprisonment or both.

The Insecticides Rules, 1971

The Insecticides Rules assign functions to the CIB in addition to those assigned under the Insecticides Act, including specifying the uses of the classification of insecticides on the basis of their toxicity as well as their being suitable for aerial application; advising on the tolerance limits for insecticides, residues and an establishment of minimum intervals between the application of insecticides and harvest in respect of various commodities; and specifying the shelf-life of insecticides. Further, the Insecticides Rules assign additional functions to the registration committee. These include specifying the precautions to be taken against poisoning through the use or handling of insecticides and carrying out such other incidental or consequential matters necessary for carrying out the functions assigned to it under the Insecticides Act or Insecticides Rules. In terms of the Insecticides Rules, the functions of the Central Insecticides Laboratory, established under the Insecticides Act, include analyzing samples of insecticides and insecticide residues and determining the efficacy and toxicity of insecticides. The Insecticides Rules make detailed provisions for manufacture and/or sale of insecticides, *inter alia*, the registration of insecticides, grant of license to manufacture insecticides and specifications relating to packaging, transportation and labeling of insecticides, the appointment, powers, duties and functions of insecticide analysts and inspectors.

Key regulations applicable to our Subsidiaries incorporated outside India

Security Licensing and Firearms Licensing

The Australian security industry is highly regulated by a range of Australian State based laws that prescribe the requirements for both companies and individuals involved in the provision of security services. The security licensing laws are similar between the States, and include the common requirement that a business engaged in the provision of security services must hold a licence specific to that State. Further, it is a common requirement across the States that the employees of the business engaged in the provision of security services similarly hold a licence specific to that State.

Likewise, there is a separate Australian State based legislative regime covering the possession, use, licensing and ownership of firearms used in the provision of security services. These armed security services laws are similar between the States, and include the common requirement that a business engaged in the provision of armed security services must hold a licence specific to that State, and the employees of such a business must similarly hold a licence specific to that State.

Controlled Drugs

State-based legislation also applies in Australia in respect of the provision of controlled drugs. Some state legislation requires companies to maintain licenses to legally hold and manage controlled drugs.

In Queensland, Victoria and Western Australia, the relevant legislation includes:

(i) Queensland: Health Act 1937 and Health (Drugs and Poisons) Regulations 1996;
(ii) Victoria: Drugs, Poisons and Controlled Substances Act 1981 and the Drugs, Poison and Controlled Substances Regulations 2006; and
(iii) WA: Medicines and Poisons Act 2014 and Medicines and Poisons Regulations 2016.

Corporations

The Corporations Act 2001 (Cth) is the principal legislation regulating companies in Australia. It regulates matters such as the formation and operation of companies, duties of officers, takeovers, fundraising and licensing.

The Corporations Act 2001 (Cth) focuses primarily on companies, although it also covers some laws relating to other entities such as partnerships and managed investment schemes.

Employment

The Fair Work Act 2009 (Cth) is the primary piece of legislation governing relationships between employers and employees in Australia.

The Fair Work Act prescribes the minimum safety net of terms and conditions of employment for employees. This safety net is comprised of ten minimum terms and conditions of employment known as the National Employment Standards (NES) and the modern award system. The NES includes terms and conditions in relation to maximum ordinary hours of work, annual leave, personal leave, parental leave, requests for flexible working arrangements, and notice of termination and redundancy.

Under the Fair Work Act, employers must not terminate the employment of particular employees in a manner that is harsh, unjust or unreasonable. This means that the employer must have a valid reason for the termination (such as poor performance or misconduct) and must afford the employee procedural fairness in the termination process (such as an opportunity to respond). The primary remedy for breaching this requirement is reinstatement of employment or, where impractical, compensation of an amount equal to up to six months remuneration (less mitigation).

Employers in Australia also have obligations under federal and state legislation not to discriminate against their employees or prospective employees on certain grounds including age, sex, race, disability, and family responsibilities. Employers are not permitted to discriminate when hiring, in the terms and conditions of employment they offer to employees, during employment, or when terminating an employee's employment.

Workplace Health and Safety

Employers must also satisfy occupational health and safety obligations under federal and state legislation. These obligations generally require employers to ensure the health, safety and welfare of their employees and other persons (such as contractors) who may be affected by the employer's business. Both corporations and individuals involved in the management of corporations may be liable for breaches of these obligations. Amongst other things, corporations and other persons convicted of breaches may be subject to criminal penalties.

The following is a list of the relevant workplace health and safety laws:

(i) Federal
  a. Work Health and Safety Act 2011
  b. Work Health and Safety Regulation 2011

(ii) Australian Capital Territory
  a. Work Health and Safety Act 2011
  b. Work Health and Safety Regulation 2011

(iii) New South Wales
  a. Work Health and Safety Act 2011
  b. Work Health and Safety Regulation 2011

(iv) Northern territory
  a. Workplace Health and Safety (National Uniform Legislation) Regulations, 2011

(v) Queensland
  a. Work Health and Safety Act 2011

(vi) South Australia
  a. Work Health and Safety Act 2012
  b. Work Health and Safety Regulations 2012

(vii) Tasmania
  a. Work Health and Safety Act 2012
  b. Work Health and Safety Regulations 2012

(viii) Victoria
  a. Occupational Health and Safety Act 2004

b. Occupational Health and Safety Act 2007

(ix) Western Australia

a. Occupational Safety and Health Act 1984

b. Occupational Safety and Health Regulations 1996

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as 'Security and Intelligence Services (Eastern India) Private Limited', a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by RoC on January 2, 1985. In order to effectively expand our operations at the national level, the words 'Eastern India' were removed from our name in 1992, and a fresh certificate of incorporation was issued to us as 'Security and Intelligence Services (India) Private Limited' by the RoC on May 27, 1992. Subsequently, pursuant to a special resolution of our shareholders dated April 15, 1993, our Company was converted to a public limited company, and a fresh certificate of incorporation issued to us as 'Security and Intelligence Services (India) Limited' by the RoC on July 29, 1993.

Business and management

For a description of our activities, services, technology, market segments, the growth of our Company, foreign operations, the standing of our Company with reference to prominent competitors in connection with our products, management, major suppliers and customers, environmental issues, geographical segment etc., see "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and *"Government and Other Approvals"* on pages 181, 439 and 490, respectively.

For details of the management of our Company and its managerial competence, see the "*Our Management*" on page 251.

Changes in the Registered Office

The details of prior changes in the Registered Office of our Company are as follows:

Effective Date	Details of Change	Reasons for Change
December 31, 1991	The registered office of our Company was shifted from 94 Patliputra Colony, Patna 800 013, Bihar to Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar.	Operational convenience

Our main objects

The main objects of our Company as contained in our Memorandum of Association are:

(i) To take over the business or business 'Security & Intelligence Services' so long carried by Sri R. K. Sinha as a proprietary business as going concern with all assets, liabilities, contracts, and other obligations arrangements and from a suitable date as may be decided by the management after incorporation of the Company.

(ii) To arrange, and deploy, security staff for personal and industrial security purposes and to do and act as security consultants, investigators, advisors on security and personnel matters within the state of Bihar or elsewhere within India.

(iii) To carry on the business of Industrial security consultants, advisors, agents, detective agents and develop and establish, industry training centers, schools, colleges and other facilities, centre for the security staff officers, and jawans within the state of Bihar or elsewhere.

(iv) To assist in the matter of recruitment of personnel and give guidance in the assessment of the personnel and on behalf of any person, firm, company or institution, corporation or government bodies within India.

(v) To carry on the business as escorters, transferors and carries of securities, documents, valuables, cash and important papers, packets, sealed covers, valuable materials and things affording information with proof of evidence as to the delivery of said articles and things and to furnish documents and instruments and to support or proof by evidence and to protect from espionage and carelessness and to deliver any of the above articles, things, goods, commodities etc. from the one place to other with security and certainty and to do all works allied there to for the attainment of the above objects.

(vi) To establish, promote, subsidies, encourage, provide, maintain, organize, undertake, manage, build, construct, equip, develop, recondition, operate, conduct, and to run in India or abroad schools, colleges, boarding houses, ashrams, gurukuls, teaching classes for primary, secondary & higher education in the fields of commerce, arts, science, engineering, medical, pharmacy, para medical education, mining, military. Security & Intelligence Services related education, music, dance, acting, sports, journalism, management, social welfare and industry which can be imparted to the students regularly in such fashion as may be developed from time to time by the Company and to do all such activities and business as may be incidental or necessary for the achievement of above objects.

(vii) To carry on the business of providing cash vault services, housekeeping and cleaning services, fire safety works, disaster and recovery management services, pest control services, building management services, Bank ATM cleaning, maintenance and facility management services.

The main object clause and objects incidental or ancillary to the main objects contained in the Memorandum and Articles of Association enable our Company to undertake its existing activities.

Amendments to our Memorandum of Association

Since incorporation, the following amendments have been made to our Memorandum of Association:

Date of change/ shareholders' resolution	Nature of amendment
September 30, 1987	The authorised share capital of our Company was increased from ₹ 100,000, divided into 1,000 equity shares of ₹ 100 each to ₹ 700,000 divided into 7,000 equity shares of ₹ 100 each.
October 30, 1988	The main object clause of the Memorandum of Association of our Company was altered by adding the following new sub-clause (VI) after the existing clause III(V) of Part A thereof: "*To carry on the business as escorters, transferers and carriers of securities, documents, valuables, cash and important papers, packets sealed-covers, valuable materials and things affording information with proof of evidences as to the delivery of said articles and things and to furnish documents and instruments and to support or proof by evidence and to protect from espionage and carelessness and to deliver any of the above articles, things, goods, commodities etc. from one place to other with security and certainty and to do all works allied thereto for the attainment of the above objects*."
May 6, 1992	Clause I of the Memorandum of Association of was amended to reflect the change in name of our Company from 'Security and Intelligence Services (Eastern India) Private Limited' to 'Security and Intelligence Services (India) Private Limited'. The name of our Company was changed to resolve the difficulty in national expansion caused by territorial expression (Eastern India) in our name.
April 15, 1993*	Clause I of the Memorandum of Association was amended to reflect the change in name of our Company from 'Security and Intelligence Services (India) Private Limited' to 'Security and Intelligence Services (India) Limited' consequent upon conversion to a public limited company.
September 7, 1993	The authorised share capital of our Company was increased from ₹ 700,000, divided into 7,000 equity shares of ₹ 100 each to ₹ 5,400,000 divided into 54,000 equity shares of ₹ 100 each.
January 30, 1999	The authorised share capital of our Company was increased from ₹ 5,400,000 divided into 54,000 equity shares of ₹ 100 each to ₹ 5,500,000 divided into 55,000 equity shares of ₹ 100 each.
November 30, 1999	The authorised share capital of our Company was increased from ₹ 5,500,000 divided into 55,000 equity shares of ₹ 100 each to ₹ 7,500,000 divided into 75,000 equity shares of ₹ 100 each.
May 2, 2000	The authorised share capital of our Company was increased from ₹ 7,500,000 divided into 75,000 equity shares of ₹ 100 each to ₹ 20,000,000 divided into 200,000 equity shares of ₹ 100 each. The main object clause of the Memorandum of Association of our Company was altered by adding the following new sub-clause (VII) after the existing clause III(VI) of Part A thereof:

Date of change/ shareholders' resolution	Nature of amendment
	"*To establish, promote, subsidies, encourage, provide, maintain, organise, undertake, manage, build, construct, equip, develop, recondition, operate, conduct, and to run in India or abroad schools, colleges, boarding houses, ashrams, gurukuls, teaching classes for primary, secondary & higher education in the fields of commerce, arts, science, engineering, medical, pharmacy, para medical education, mining, military. Security & Intelligence Services related education, music, dance, acting, sports, journalism, management, social welfare and industry which can be imparted to the students regularly in such fashion as may be developed from time to time by the Company and to do all such activities and business as may be incidental or necessary for the achievement of above objects*."
Between 2000 and 2007*	One of the erstwhile main objects of our Company (Clause (III)A(iv) was removed from our MoA: "*To deal with arms and ammunitions, clothes and other goods which are necessary and required for the industrial and other security purposes within the state of Bihar and anywhere in India or elsewhere.*"
March 26, 2004	The authorised share capital of our Company was increased from to ₹ 20,000,000 divided into 200,000 equity shares of ₹ 100 each to ₹ 26,000,000 divided into 260,000 equity shares of ₹ 100 each.
September 30, 2005	The authorised share capital of our Company was increased from ₹ 26,000,000 divided into 260,000 equity shares of ₹100 each to ₹ 100,000,000 divided into 1,000,000 equity shares of ₹ 100 each. Pursuant to a resolution of our shareholders dated September 30, 2005, each equity share of our Company of face value ₹ 100 was split into 10 equity shares of our Company of face value of ₹ 10 each, and accordingly, the resultant authorised share capital of our Company being ₹ 100,000,000 divided into 10,000,000 Equity Shares.
September 29, 2007	The authorised share capital of our Company was increased from ₹ 100,000,000, divided into 10,000,000 Equity Shares to ₹ 280,000,000 divided into 12,000,000 Equity Shares and 1,600,000 preference shares of ₹ 100 each. The main object Clause of the Memorandum of Association of the Company was altered by adding the following new clause (VIII) after the existing clause (VII) of Part A thereof: "(viii) *To carry on the business of providing cash vault services, housekeeping and cleaning services, fire safety works, disaster and recovery management services, pest control services, building management services, Bank ATM cleaning, maintenance and facility management services*."
July 31, 2015	The authorised share capital of our Company was reclassified from ₹ 280,000,000, divided into 12,000,000 Equity Shares and 1,600,000 convertible preference shares of ₹ 100 each to ₹ 280,000,000 divided into 28,000,000 Equity Shares.
September 26, 2015	The authorised share capital of our Company was increased from ₹ 280,000,000 divided into 28,000,000 Equity Shares to ₹ 1,350,000,000, divided into 135,000,000 Equity Shares.

**We have been unable to trace corporate resolutions and form filings in relation to this change in our MoA. See "Risk Factors – Some of our corporate records are not traceable." on page 51.*

We have had certain instances of discrepancies in relation to forms filed with the RoC in relation to some of these changes in our MoA. For further details, see "*Risk Factors – There have been certain instances of discrepancies in relation to certain statutory filings made or required to be filed by our Company with the RoC under applicable law and certain other non-compliances under Indian company law. Further, we have, in the past, failed to comply with reporting requirements in respect of issuance of Equity Shares and CCPs and certain other regulations governing issuance of capital to non-resident shareholders.*" and *"Outstanding Litigation and Material Developments - Past cases of non-compliances and compounding"* on pages 30 and 486.

Total number of equity shareholders of our Company

As on the date of this Prospectus, our Company has 300 shareholders of Equity Shares. For further details, see "*Capital Structure*" on page 100.

Awards and accreditations

Calendar Year	Accreditations
2011	MSS Security (our Subsidiary) won an award in the '*Special Security Event or Project*' category of the Australian Security Industry Association Limited awards for its security and safety operations.

Calendar Year	Accreditations
2014	We were awarded by Wipro Limited as the *"Best Security Services Partner"* and were recognised for maintaining high levels of performance and consistent support in providing security services.
2015	MSS Security received the Australian Business award for Human Resource Management and was recognised for its outstanding achievements in human resource management.
2016	MSS Security won the following awards: • Australia India Business Council award of excellence. • Innovative HR Team 2016 by HRD - Human Resources Director magazine.

Major events and milestones

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Details
2005	• Company-wide implementation of ISO 9001 was initiated. • Entered into cash logistics services segment.
2006	• Version 1 of SIS ERP was rolled out. • Our Company crossed the 10,000-employee mark.
2008	• Investment into our Company by D. E. Shaw. • Launching of our mechanised cleaning services. • CRISIL awarded 'SME 1' rating to our Company. • Acquisition of MSS Security from Chubb Security Australia Pty. Limited for AUD 45 million. • Introduced an employee stock option scheme.
2011	• Entered into a joint venture with Prosegur Spain for cash logistics business. • Entered into a joint venture with Terminix US for entry into pest control business.
2013	• Exit by D. E. Shaw from our Company. • Investment into our Company by CX Partners (Theano and AAJV). • Crossed ₹ 25,000 million in consolidated revenues.
2014	• Acquisition of cash logistics business of ISS SDB.
2015	• Number of employees crossed 100,000. • Crossed ₹ 35,000 million in consolidated revenues. • Became India's second largest operator in cash logistics business segment, in terms of total revenue and number of employees, according to Frost & Sullivan.
2016	• MSS Security, our Subsidiary, was recognised for operating a quality management system for security manpower services at contracted locations across Australia and was certified to be in compliance with the requirements of ISO 9001:2008. • Acquired 78.72% of the equity share capital of Dusters.
2017	• Through SIS Australia Group (one of our indirect Subsidiaries) we acquired 51% of the voting rights in Andwills which resulted in acquisition of additional 41% of voting rights in SXP (one of our former associates), thereby resulting in Andwills, SX Protective, SXP and subsidiaries of SXP becoming our Subsidiaries.

Changes in activities of our Company during the last five years

Except as set forth below, there have been no changes in the activities of our Company during the last five years, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

In January 2016, our Company entered into a joint venture with Singpai Alarms Pte. Ltd. to commence the business of providing alarm monitoring and response services in India.

For further details, see "*Our Business*" on page 181.

Capital raising (Equity/ Debt)

Our equity issuances in the past and outstanding debts as on May 31, 2017 have been provided in "*Capital Structure*" and "*Financial Indebtedness*" on pages 100 and 464, respectively. Further, our Company has not undertaken any public offering of debt instruments since its inception.

Strike and lock-outs

Except as stated below, we have not had any significant strikes and lock-outs in our operations.

(i) In 2009, the Delhi operations of our cash logistics business division were suspended for five days on account of a strike called by certain workmen. The strike was pursuant to the workmen's demand for a wage hike and other related grievances. In connection with this strike, there are certain litigations pending against SIS Cash, in which our cash logistics business division was transferred. For details see "*Outstanding Litigation and Material Developments*" on page 467.

(ii) In April 2015, certain workmen of SIS Prosegur Holdings Private Limited (one of our erstwhile subsidiaries and currently a subsidiary of one of our Joint Ventures), called a strike, demanding a wage hike and other related grievances. As a result of this strike, our Chetpet branch in Chennai was closed for five days.

Time/cost overrun

We have not experienced any instances of time/ cost overrun in our business operations.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by the Company

There are no defaults or rescheduling of borrowings with financial institutions, banks, conversion of loans into equity in relation to our Company.

Injunctions or restraining order against our Company

Except as stated in "*Outstanding Litigation and Material Developments*" on page 467, there are no injunctions or restraining orders against our Company.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets

For details regarding certain joint venture arrangements entered into by us for our business operations, see "– *Material Agreements – Other Agreements*" on page 221.

Proposed demerger of certain businesses of our Company and SMC

Our Board, and the board of directors of SMC (one of our Subsidiaries) have, by resolutions dated September 20, 2016, approved a composite scheme of arrangement under sections 391 to 394 of the Companies Act, 1956 between our Company, SMC, SIS Asset Management (formerly known as Tech SIS Access Management System Private Limited, and a member of our Promoter Group and a Group Company) and their respective shareholders and creditors ("**Demerger Scheme**"). The Demerger Scheme contemplates the demerger, transfer and vesting of

(a) the consultancy and investigation business of our Company, including all related assets, properties, identified investments (direct, or through nominees), liabilities and provisions, employees, business contracts and movable and immovable properties, as well as certain compulsorily convertible shares allotted or deemed to be allotted pursuant to the Demerger Scheme ("**SIS Demerging Business**"), and

(b) the payroll outsourcing business of SMC, including all related assets, properties, identified investments (direct, or through nominees), liabilities and provisions, employees, business contracts and movable and immovable properties ("**SMC Demerging Business**") to SIS Asset Management, on a going concern basis (such transaction, the "**Proposed Demerger**"). SIS Asset Management has, by a resolution dated September 20, 2016, approved the Demerger Scheme.

In Fiscal Year 2016, revenues from the SMC Demerging Business and the SIS Demerging Business (collectively, the "**Demerging Businesses**") accounted for ₹ 5.90 million and ₹ 12.00 million, respectively, constituting 0.02% and 0.03%, respectively, of our restated consolidated revenues in Fiscal Year 2016.

The boards of directors of our Company, SMC and SIS Asset Management, by resolutions dated November 11, 2016 and December 16, 2016, have taken on record the change in name of the transferee company (from Tech SIS Access Management System Private Limited to SIS Asset Management), and approved filing of the Demerger Scheme with the NCLT, Kolkata (and not the High Court of Patna) upon the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Companies Amalgamation Rules**") coming into effect.

Subsequently, our Company, SMC and SIS Asset Management, on January 11, 2017, jointly filed the Demerger Scheme with the NCLT (Kolkata bench), and through an application under Rule 3 of the Companies Amalgamation Rules, sought dispensation of the meetings of shareholders and creditors of us, SMC and SIS Asset Management for approving the Demerger Scheme. By orders dated May 26, 2017 and May 31, 2017, the NCLT has, among other directions, (a) convened meetings of equity shareholders and creditors of our Company and the creditors of SMC on July 24, 2017 to approve the Demerger Scheme; (b) dispensed with meetings of shareholders of SMC and SIS Asset Management; and (c) directed that the Demerger Scheme and other relevant documents be served on the Regional Director (Eastern region), MCA, the RoC, SEBI, concerned stock exchanges, the Income Tax Department and Official Liquidator having jurisdiction over the transferor and transferee companies. Over June 17 and June 18, 2017, we have dispatched notices of these meetings to shareholders and creditors of our Company and creditors of SMC. These meetings were subsequently conducted on July 24, 2017, at which, the Demerger Scheme was approved by the shareholders and creditors of our Company and creditors of SMC.

Accordingly, the Demerger Scheme remains subject to (a) approvals of our shareholders and creditors, and creditors of SMC, (b) the approval of the NCLT, (c) certified copies of the orders of the NCLT being filed with the RoC, and (d) compliance with any other conditions as may be imposed by the NCLT.

Rationale for the Demerger Scheme

The Proposed Demerger would facilitate focused strategy, direction and business planning and the optimisation of operational, managerial financial, technical and marketing capabilities of each of the Demerging Businesses. The Demerger Scheme also seeks to optimise resources and operating costs of our Company and SMC.

Key terms of the Demerger Scheme

Some of the key terms of the Demerger Scheme are as follows:

(i) The Demerger Scheme envisages the transfer of the Demerging Businesses to SIS Asset Management, for Consideration (defined hereinafter) and in accordance with section 2(19AA) of the Income Tax Act. The Demerger Scheme states that it has been drawn up to comply with the conditions relating to a demerger under section 2(19AA) of the Income Tax Act, and if found inconsistent with this section, shall stand modified to the extent required for compliance.

(ii) The "Appointed Date" for the Demerger Scheme is proposed to be July 1, 2016.

(iii) The "Effective Date" for the Demerger Scheme means the date on which certified true copies of the order of the NCLT approving the Demerger Scheme will be filed with the RoC by the parties to the scheme.

(iv) The Demerger Scheme, *inter alia,* provides for:

    (a) The manner of vesting and transfer of the of each of the Demerging Businesses to and in SIS Asset Management with effect from the Appointed Date;

(b) The transfer of all debts, liabilities, duties, obligations, including movable and immovable properties and assets (tangible or intangible) pertaining to each of the Demerging Businesses, including land, leasehold land, building, plants and investments (except, in respect of the SMC Demerging Business, SMC's investments in SIS Cash and SIS Alarms) to SIS Asset Management with effect from the Appointed Date;

(c) The transfer of all business licenses, permits, deposits, authorisations, approvals, insurance coverage, leases, tenancy rights, permissions, incentives (if any) and all other rights, patents, know-how, trademarks, trade secret, brands, registrations, product licenses, marketing authorisations or other intellectual property rights in relation to the each of the Demerging Businesses to SIS Asset Management with effect from the Appointed Date;

(d) The transfer of all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to each of the Demerging Businesses to SIS Asset Management with effect from the Appointed Date;

(e) The transfer of all suits, appeals and other legal proceedings on the Appointed Date, relating to each of the Demerging Businesses, by or against our Company or SMC (as the case may be) to SIS Asset Management;

(f) The manner in which our Company and SMC shall be deemed to have been carrying on all business and activities relating to the respective Demerging Businesses between the Appointed Date and the Effective Date for and on account of, and in trust for, SIS Asset Management;

(g) The transfer of staff, workmen and employees in service on Effective Date, pertaining to each of the Demerging Businesses to SIS Asset Management on the terms and conditions of their employment with our Company and SMC as existing on the Effective Date. Further the provident fund, gratuity fund, superannuation fund or trusts created or existing for the benefit of the transferred employees shall be transferred to the corresponding funds of SIS Asset Management from our Company and SMC, and shall stand substituted in the place of our Company and SMC for all purposes;

(h) The transfer of all taxes paid or payable, tax refunds, credits, claim-benefits and fiscal incentives pertaining to each of the Demerging Businesses to SIS Asset Management, with effect from the Appointed Date;

(i) In consideration for the transfer of the Demerging Businesses, the issuance by SIS Asset Management of (a) 43,070,000 fully paid-up compulsorily convertible preference shares of ₹ 10 each ("**SIS Asset Management CCPS**") proportionately for every 19,512,800 equity shares of ₹ 10 each of SMC held by shareholders of SMC on the Appointed Date, and (b) 16,520,000 equity shares of ₹ 10 each of SIS Asset Management for every 6,202,659 Equity Shares held by shareholders of our Company on the Appointed Date ("**Consideration**"). Any SIS Asset Management CCPS allotted, or deemed to be allotted to our Company (on account of our being a shareholder of SMC) as Consideration for transfer of the SMC Demerging Business would stand cancelled; and

(j) The accounting treatment of the Proposed Demerger in the books of account of SIS, SMC and SIS Asset Management.

(v) Upon approval of the Demerger Scheme, with effect from the Appointed Date, as noted by our Board by its resolution dated September 20, 2016, 16 immovable properties owed by our Company and three investments owned by SMC ("**Demerged Properties**") shall be transferred to, and vest with, SIS Asset Management. The Demerged Properties consist primarily of land and buildings, including our administrative office, our training centres at Garwha, Jharkhand (including academic blocks and hostels) and Dehradun and investments by SMC in Vardan and Sunrays, which own our corporate office.

As on March 31, 2017, the collective book value of the Demerged Properties aggregated to ₹610.46 million (gross) and ₹586.63 million (net) or 3.0% (gross) and 2.9% (net) respectively of the Company's total assets on a consolidated basis. As per valuation reports received by our Company, the market value of the Demerged Properties aggregated to ₹ 868.69 million.

The board of directors of SIS Asset Management has, by its resolution dated September 20, 2016, evinced an intention to enter into leasehold arrangements, on arms' length basis with our Company post-demerger to enable us to continue to utilise certain identified Demerged Properties, including our corporate office, administrative office and our training centres at Garwha, Jharkhand (including academic blocks and hostels) and Dehradun, post the demerger.

See also "*Risk Factors – Our Board of Directors has recently approved a scheme of rearrangement to de-merge and transfer certain businesses ("Demerging Businesses") to a member of our Promoter Group, which is subject to the approval of the shareholders of our Company, creditors, lenders and other statutory, regulatory and court approvals and consents required pursuant to contractual obligations. In case we are unable to obtain any of these approvals and consents, or if the demerger is not achieved in an optimal manner, our business, financial condition and results of operations could be adversely affected.*" on page 28.

Revaluation of assets

In Fiscal Year 2002, we revalued certain fixed assets to reflect their market value. The revaluation was effected primarily for providing collateral to our lenders to secure bank financing for our business. Subsequently, our revaluation reserves were reversed partially in Fiscal Year 2006 and completely in Fiscal Year 2008 upon sale/ disposal of one of the revalued assets.

Material Agreements

A. Share Purchase and Shareholders' Agreements

Investment agreement dated April 3, 2013 between our Company, Ravindra Kishore Sinha, Rita Kishore Sinha, Rituraj Kishore Sinha, Rivoli Sinha Aggarwal, Vocational Skills Council (India) Private Limited (collectively, the "Company Shareholders"), Theano and AAJV (collectively, the "SIS Investors"), as amended on May 19, 2015, September 26, 2016 and through the Letter Amendment.

Our Company and the Company Shareholders have entered into an investment agreement dated April 3, 2013 with the SIS Investors ("**Investment Agreement**"). The following investments and transactions resulted from the framework of the Investment Agreement.

Theano,

(i) subscribed to 1,727,485 CCDs at a price of ₹ 100 per CCD;

(ii) subscribed to 146,205 Equity Shares at a price of ₹ 829.74 per Equity Share;

(iii) purchased 144,684 Equity Shares from Ravindra Kishore Sinha at a price of ₹ 2,011.28 per Equity Share;

(iv) purchased 19,582 Equity Shares from Uday Singh at a price of ₹ 2,011.26 per Equity Share (through

AAJV,

(i) subscribed to 34,895 CCDs at a price of ₹ 100 per CCD;

(ii) subscribed to 2,953 Equity Shares at a price of ₹ 829.83 per Equity Share;

(iii) purchased 306 Equity Shares from Uday Singh at a price of ₹ 2,010.22 per Equity Share (through the US SPA); and

(iv) purchased 15,912 Equity Shares from certain other employee shareholders of our Company at

In addition,

upon transfer of the Equity Shares and CCPS by D E Shaw to Theano, on April 5, 2013,

(i) 230,996 optionally fully convertible debentures held by Vocational Skills Council India Private Limited in our Company were converted to 230,996 Equity Shares; and

(ii) 1,600,000 CCPS were converted to 464,686 Equity Shares, allotted to

a share purchase agreement dated April 3, 2013 ("**US SPA**"));	a price of ₹ 2,011.28 per Equity Share.	Theano.
(v) purchased 173,913 Equity Shares and 1,600,000 CCPS from D.E. Shaw for an aggregate consideration of US$ 23.61 million (through a share purchase agreement dated April 3, 2013); and		
(vi) agreed to subscribe to one convertible preference share of SIS International Holdings Limited ("**SIHL**") at AUD 1 ("**SIHL Convertible Share**") through a supplemental investment agreement dated April 3, 2013. While the convertible share was issued, the subscription price remains unpaid as on the date of this Prospectus.		

For details of the relevant issuances of Equity Shares detailed above, see "*Capital Structure*" on page 100.

Theano and AAJV currently hold 9.90% and 0.20%, respectively of our Company's fully paid up Equity Share capital (on a fully-diluted basis).

Preferential rights: In accordance with the terms of the Investment Agreement, each of Theano and AAJV have certain preferential rights, including (a) the right to collectively nominate two directors on our Board as long as they collectively hold in excess of 56% of their original holding of Equity Shares, CCPS and CCDs (collectively, "**Equity Securities**") in the Company, and one director on our Board as long as they collectively hold between 44% and 56% of their original Equity Securities (the nomination right terminating upon the SIS Investors holding below 33% of their original Equity Securities), (b) the right to nominate one observer on our Board, (c) the right to appoint one director on the board of directors of MSS Security Pty. Ltd., and SIS Australia Group Pty. Ltd., (d) rights to receive certain information and documents in relation to our Company, including audited and unaudited financial statements of our Company and certain subsidiaries (on a consolidated and standalone basis), key performance reports, board minutes and annual business plans, (e) rights of first offer and tag-along rights in the event that the Company Shareholders wish to sell any Equity Securities, (f) anti-dilution rights in the event our Company proposes to issue fresh Equity Securities, (g) quorum rights on our Board and committees, (h) dividend rights and (i) restrictions on transfer of certain properties.

Affirmative voting rights: Additionally, our Company shall not, without affirmative voting by nominees of the SIS Investors, take any action for, among other matters, acquisition of shares, assets and businesses; sale, transfer, assign or mortgage immovable properties and assets; create new legal entities, joint ventures, partnerships, mergers; make changes to our share capital; provide guarantees or provide loans of amounts exceeding ₹ 100 million; incur indebtedness above certain levels; appoint or remove key personnel, including our managing director, whole-time or executive directors, chief executives and directors; commence any new business lines; list shares of our Company and our subsidiaries on stock exchanges; declare or pay dividends otherwise than in accordance with the Investment Agreement; settle legal claims involving amounts above certain levels; amend our constitutional documents; change our registered office and make material changes to our tax policies and procedures.

Minimum realisation: The Investment Agreement incorporates exit mechanisms that seek to provide a "minimum realisation" to the SIS Investors, being a return on their investment that is the higher of the fair market value of the Equity Securities held by them in our Company, or the liquidity preference amount in accordance with an agreed formula ("**Minimum Realisation**"). Such exit mechanisms include,

(a) a strategic sale of shares of the SIS Investors,

(b) swap of Equity Shares held by the SIS Investors with equity shares of any of our Australian Subsidiaries,

(c) conversion of the SIHL Convertible Share at the behest of Theano,

(d) sale by us of shares of SIS Australia Holdings Limited ("**SAHL**"), other strategic assets, or of our direct and indirect holding in our Joint Ventures and distribution of the proceeds to the SIS Investors, and

(e) if any of the agreed exit mechanisms (such as an initial public offering, strategic sale, swap or asset sale) are not provided within their requisite timelines or if we materially breach the terms of the agreement, sale by the SIS Investors of their Equity Securities to any third party, with an option to drag-along the Company Shareholders to also sell their Equity Shares,

such that, in any event, Minimum Realisation is achieved.

Escrow: The Investment Agreement (as amended by the first amendment to the Investment Agreement dated May 19, 2015) also provides for all of the equity share capital of SAHL to be placed in escrow ("**SAHL Escrow Shares**"), within 45 days of release of the SAHL Escrow Shares by National Australia Bank Limited (and, in any event, no later than May 31, 2018). The SIS Investors can require the SAHL Escrow Shares (once placed in escrow) to be transferred to them in the event an initial public offering or strategic sale is not completed within the timelines specified in the Investment Agreement, and the SIHL Convertible Share is not converted, or the swap or asset sale (as described above) does not happen. Further, the SAHL Escrow Shares can be sold by the SIS Investors (after offering them first to the Company Shareholders) if none of the agreed exit mechanisms are provided to them within 66 months from the completion of the investments contemplated under the Investment Agreement.

Promote: The parties to the Investment Agreement have further agreed for the Company Shareholders and the SIS Investors to share any realisations made by the SIS Investors (upon sale of their Equity Securities) ("**Investor Realisations**") in excess of 25% of the IRR in respect of the subscription/ purchase price paid by the SIS Investors for their Equity Securities ("**Promote**") in the ratio of 1:3 (SIS Investors: Promoters, such ratio, the "**Promote Ratio**"). The Promote may be paid to our Promoters through cash, or a fresh issue of compulsorily convertible debentures to our Promoters, or any other mutually acceptable method.

Termination: The parties to the Investment Agreement have executed a second amendment agreement dated September 26, 2016 ("**Second Amendment Agreement**") pursuant to which the Investment Agreement, and the special rights for the SIS Investors contained in Part II of the AOA will be terminated on and from the date of listing of Equity Shares on the Stock Exchanges pursuant to the Offer ("**Consummation of the Offer**"). However, notwithstanding this termination (i) the SIS Investors have the right to nominate one director on our Board (subject to this right being approved by our shareholders after the Consummation of the Offer, and provided that the Company Shareholders, namely, the Promoters, Rita Kishore Sinha, Rivoli Sinha Aggarwal and Vocational Skills Council (India) Private Limited have agreed to vote in favour of the appointment of an SIS Investor nominee director), (ii) the SIS Investors shall continue to enjoy non-compete rights vis-à-vis the Company Shareholders, and (iii) the SIS Investors shall retain the right to invest in any companies that compete with our Company, Subsidiaries or our business. In terms of the Letter Amendment, if the Consummation of the Offer does not happen by September 30, 2017, or the date on which our Board decides not to undertake the Offer ("**Long Stop Date**"), the Investment Agreement shall continue and the Second Amendment Agreement shall be terminated, and Part II of our AOA shall continue to remain in force.

The Parties to the Second Amendment Agreement have further agreed that, to the extent required under applicable law, all expenses in relation to the Offer (excluding listing fees) shall be *pro rata* borne by our Company, our Promoters, the SIS Investors and any other Selling Shareholders on the basis of the number of Equity Shares that are issued by the Company or sold by the Promoters and each of the SIS Investors and the other Selling Shareholders in the Offer for Sale, as the case may be.

The SIS Investors' right to nominate one director subsequent to the termination of the Investment Agreement shall also be in accordance with SEBI's final observations on the Draft Red Herring Prospectus through its letter dated January 12, 2017.

Waivers: In terms of the Second Amendment Agreement, Theano and AAJV have agreed to waive certain of their rights under the Investment Agreement including those in relation to restrictions on transfer, anti-dilution rights, and rights of first offer, only in relation to the Offer, till the Long Stop Date. The Second Amendment Agreement further confirmed that the CCDs held by Theano and AAJV would convert to 11 Equity Share to be issued to each of the former prior to the filing of the Red Herring Prospectus. Subsequently, the CCDs converted into 22 Equity Shares (of which 11 Equity Shares were allotted to each of Theano and AAJV). For further details, see footnote 30 to the table on the build-up of the equity share capital of the Company on page 104.

Offer-related Promote: The Parties to the Second Amendment Agreement have further agreed to share any Promote accruing on account of transfer by the SIS Investors of their Equity Shares through the Offer for Sale. In terms of the Second Amendment Agreement, further amended by the Letter Amendment, the Promote will be paid by transfer of 3,710,570 Equity Shares by the SIS Investors (i.e. 3,637,098 Equity Shares by Theano and 73,472 Equity Shares by AAJV, collectively the "**Promote Shares**") to our Promoters (i.e. 1,855,285 Equity Shares each to Ravindra Kishore Sinha and Rituraj Kishore Sinha). The Promote Shares were transferred on August 3, 2017, prior to the filing of this Prospectus with the RoC in accordance with valuation parameters and processes set set forth in the Letter Amendment.

B. Other Agreements

License agreement with The ServiceMaster Company LLC

On March 7, 2008, we (along with Ravindra Kishore Sinha and Rituraj Kishore Sinha) signed a license agreement with The ServiceMaster Company LLC ("**ServiceMaster**"), a company incorporated in Delaware, United States, to engage in commercial and residential cleaning services as an exclusive licensee in India of proprietary processes, operating materials, knowhow and trademarks owned by ServiceMaster ("**ServiceMaster License Agreement**"). Such services include janitorial services, services provided for management of tenants of commercial or institutional buildings (such as window cleaning, carpet cleaning and furniture cleaning), restoration and clean-up of damage occasioned from fires, floods, earthquakes or other natural disasters, and other cleaning services in homes, apartments and housing societies (collectively, "**ServiceMaster Clean Services**"). In lieu of this license, ServiceMaster has charged us an aggregate license fee, and also charges quarterly service fees. Subsequently, we incorporated Service Master Clean Private Limited as a subsidiary whose name was later changed to Service Master Clean Limited ("**SMC**"). We sub-licensed our rights under the Service Master License Agreement to SMC, enabling it to commence the business of providing commercial and residential cleaning services in India. The ServiceMaster License Agreement is initially valid for a period of 10 years, and is renewable automatically subject to our Company not committing a default of the agreement, and the generation of agreed levels of customer revenue from our commercial and residential cleaning business. Further, during the term of the ServiceMaster License Agreement and till one year after termination, our Company and our Promoters cannot, unless approved in writing by ServiceMaster, engage directly or indirectly in, or have any interest in businesses which perform any ServiceMaster Clean Services (with are not licensed by ServiceMaster).

For details of our commercial cleaning business through SMC, see "*Our Business – Facility Management*" on page 194.

Joint venture with Terminix International Company LLP

In August 2011, we entered into a joint venture with SVM Services (Singapore) PTE. LTD. ("**SVM Services**"), a Singapore incorporated affiliate of Terminix International Company LLP ("**Terminix**"), a company incorporated in Delaware, to mutually collaborate and commence the business of providing pest and termite control services, and distribution of allied pest control products in India. In accordance with the joint venture agreement dated August 11, 2011 ("**Terminix JVA**"), our Company and SVM Services subscribed to equity shares of Terminix SIS India Private Limited ("**SIS Terminix**"), a company originally incorporated as a wholly owned Subsidiary by our

Company. As a result of such subscription, as on the date of this Prospectus, our Company and SVM Services own 50.01% and 49.99%, respectively of the equity share capital of SIS Terminix. Each of us and SVM Services have agreed to use best efforts to promote and develop SIS Terminix's pest control business in India. SVM Services has also agreed, through itself or its affiliates, to provide technical support, knowledge and expertise in pest and termite operating models and efficient and profitable customer service solutions to SIS Terminix. In addition, in terms of the Terminix JVA, we also allow SIS Terminix to operate its business from our current branches and provide shared services to SIS Terminix, while Terminix has licensed proprietary operating material, equipment, processes, mechanisms and knowhow in relation to pest control services to SIS Terminix, in furtherance of its business. Our Company and Terminix have further, licensed certain trademarks owned by them (including "Terminix" and "SIS") to SIS Terminix for use in its business operations, with the intention that a co-brand will be developed by SIS Terminix by utilising the recall of both these trademarks.

Further, the Terminix JVA provides that so long as its parties hold any shares in SIS Terminix, each party (and its affiliates) will carry out pest and termite control services, and distribute pest control products in India only through SIS Terminix. Each party has also agreed not to (a) own, invest or control any shares (excluding passive investments of upto 2% in a public listed company) of an Indian entity, or (b) provide marketing, distribution, consulting or advisory services to any person who competes with the business of SIS Terminix in India.

For further details on our pest control business, see "*Our Business – Pest and Termite Control*" on page 195.

Joint venture agreement with Prosegur Compania de Seguridad S.A.

In May 2011, we entered into a joint venture with Prosegur Compania de Seguridad S.A. ("**Prosegur**"), a company incorporated in Spain and engaged in providing security services (and cash management services), to mutually collaborate and provide cash management and allied services in India. In accordance with the joint venture agreement dated May 25, 2011 with Prosegur ("**Prosegur JVA**"), our Company incorporated SIS Cash Services Private Limited ("**SIS Cash**") as a subsidiary, into which the cash management services business of our Company was transferred on a going concern basis by way of a slump sale through a business transfer agreement dated December 3, 2011. Subsequently, Singpai Pte. Ltd., an affiliate of Prosegur (to whom Prosegur assigned the Prosegur JVA on June 16, 2011) invested in SIS Cash to the extent of 49% of its share capital. Pursuant to the terms of the Prosegur JVA, we also allow SIS Cash to operate its cash management business from our current branches and provide certain shared services to SIS Cash (ranging from infrastructure and maintenance support at our branches to liaison with government authorities, access to information technology platforms, hardware and software and other ancillary services) in lieu of service fees, while Prosegur has licensed its cash-in-transit technology (present and future) to SIS Cash in furtherance of its business. Subsequent to divestment of 2% of our shareholding in SIS Cash to Gujarat Fusion Glass LLP, SIS Cash is no longer our subsidiary as on the date of this Prospectus.

For a detailed description of our cash management business, see "*Our Business – Cash Logistics Services*" on page 192.

Agreements for acquisition of Dusters

We have recently acquired 78.72% of the equity share capital of Dusters, one of our current Subsidiaries ("**Dusters Acquisition**"), by purchasing, through share purchase agreements, all dated August 6, 2016 (and in terms of a shareholders agreement dated August 6, 2016),

(v) 1,559,458 equity shares of Dusters of face value of ₹ 10 each ("**Duster Shares**") from TVS Shriram Growth Fund I for an aggregate consideration of ₹ 826.58 million,

(vi) 49,981 Duster Shares from certain individual shareholders of Dusters for an aggregate consideration of ₹ 26.44 million,

(vii) 51,630 Duster Shares from certain employees of Dusters ("**Dusters Employees**") for an aggregate consideration of ₹ 27.37 million, and

(viii) 544,492 Duster Shares from the promoters of Dusters, namely, Shamsher Puri and Jasmer Puri ("**Dusters Promoters**") for an aggregate consideration of ₹ 288.60 million.

The aggregate consideration paid by us for the Dusters Acquisition was ₹ 1,169.03 million.

Subsequent to the Dusters Acquisition, while we hold 78.72% of the equity share capital of Dusters, the balance equity shares are currently held by the Dusters Promoters and the Dusters Employees ("**Balance Dusters Shares**"). In terms of the share purchase agreements with the Dusters Promoters and the Dusters Employees (entered with Shamsher Puri, the duly constituted attorney of the Dusters Employees), the purchase of the Balance Dusters Shares by us will be achieved in the following manner:

(i) The Balance Dusters Shares are to be valued for the purpose of purchase by us by August 31, 2019 using a formula based on the CAGR achieved by Dusters in its EBITDA over Fiscal Year 2017 to Fiscal Year 2019;

(ii) in the interim, in the event that Dusters achieves a minimum EBITDA of ₹ 187.00 million (as per its audited financial statements) in each of the Fiscal Years 2017 and 2018, the Dusters Promoters, along with the Dusters Employees, have put-options to sell an aggregate of upto one-third of the Balance Dusters Shares held by each of them, in 2017 and 2018, to our Company at such equity value which will be computed based on an enterprise value, using a fixed multiple of the EBITDA, after reducing net debt of Dusters as at March 31, 2016 and March 31, 2018 respectively; and

(iii) no later than August 31, 2019, our Company has agreed to acquire the remaining Balance Dusters Shares, at a value to be computed in terms of (i) above, taking into account the amounts paid by us in 2017 and 2018, if any (depending on the exercise of the put-option as detailed in (ii) above by the Dusters Promoters and the Dusters Employees), to formulate the final amount payable to the Dusters Promoters and the Dusters Employees for the remaining Balance Dusters Shares.

Pursuant to the arrangements described above, we have, on July 31, 2017, acquired a further 7.20% of the outstanding equity shares of Dusters (*i.e.* 201,702 equity shares) from the Dusters Employees (including certain ex-employees) and Dusters Promoters for an aggregate consideration of ₹ 116.63 million. Accordingly, as on the date of this Prospectus, we hold 85.92% of the equity share capital of Dusters.

Additionally, our Company and the Dusters Promoters have also entered into a shareholders agreement dated August 6, 2016 with the Dusters Promoters ("**Dusters SHA**"). In terms of the Dusters SHA, the Dusters Promoters shall continue to remain on the board of Dusters as Managing Director (Shamsher Puri) and Joint Managing Director (Jasmer Puri) till they hold any Dusters Shares, and will continue to be involved in day-to-day management of Dusters. At least five directors on the board will be nominated by our Company. Further, in terms of the Dusters SHA, the Dusters Promoters have affirmative voting rights over certain decisions in board and shareholder meetings. The Dusters Promoters are restricted from transferring their Balance Dusters Shares to any other person, and enjoy proportionate tag-along rights in the event we wish to transfer any Dusters Share held by us to any third-party transferee. We are free to transfer our equity shares in Dusters to any other party. In the event of the occurrence of an event of default by the Dusters Promoters, we have the right to exercise a put-option to purchase any Dusters Shares that continue to held by the Dusters Promoters at a discount of 30% to the equity value of such shares at the relevant point of time, calculated on the basis of the EBITDA of Dusters, an applicable multiple and the net financial debt of Dusters. Correspondingly, if we commit an event of default under the Dusters SHA, the Dusters Promoters have the option right to exercise an accelerated put option and transfer any of the Balance Dusters Shares at a premium of 30% of the equity value of such shares at the relevant point of time. The Dusters SHA shall automatically terminate upon transfer of all Balance Dusters Shares by the Dusters Promoters to our Company.

Agreements for acquisition of Andwills and indirect acquisition of SXP

With effect from July 1, 2017, we have, through SIS Australia Group (one of our Subsidiaries) acquired 41% of voting rights in SXP, one of our former associates ("**SXP Acquisition**") in addition to 10% of SXP's shareholding held directly by SIS Australia Group. The SXP Acquisition was achieved by SIS Australia Group by:

(i) purchase of 95,556 fully paid up ordinary shares of SX Protective ("**SX Protective Shares**"), SXP's holding company (holding, prior to the SXP Acquisition, 90% of SXP's share capital) from three sellers (namely, trustees of The Goldrick Family Trust, the Medhurst Family Superannuation Fund and the Cumberland

Discretionary Trust, collectively, the "**Minority Sellers**") through a share sale agreement tranche – 1 dated June 8, 2017 ("**SXP Tranche 1 Share Sale Agreement**");

(ii) purchase of 4,236 fully paid ordinary shares of Andwills ("**Andwills Shares**"), SXP Protective's holding company (holding, prior to the SXP Acquisition, 85% of SX Protective's share capital) from Bourke Family Holdings Pty Ltd ("**Bourke**") through the SXP Tranche 1 Share Sale Agreement; and

(iii) subscription to 1,764 D Class equity shares in Andwills that grant SIS Australia Group voting rights of 10% in Andwills.

SIS Australia Group has paid AUD 13.38 million to Bourke and the Minority Sellers (collectively the "**Sellers**") as consideration for the transactions described above. SIS Australia Group has also deposited an additional AUD 4.41 million in escrow ("**SXP Escrow Amounts**"). The Escrow Amounts are payable to the Sellers in accordance with a formulation set forth in the SXP Tranche 1 Share Sale Agreement.

As a result of these transactions, (a) SIS Australia Group holds 51% of the voting rights in Andwills, and (b) controls indirectly 51% of the equity capital and voting rights in SXP. Accordingly, effective July 1, 2017, Andwills, SX Protective, SXP and subsidiaries of SXP ("**SXP Subsidiaries**") have become Subsidiaries of our Company.

SIS Australia Group has also entered into a deed of put and call option dated June 9, 2017 with the other parties to the SXP Tranche 1 Share Sale Agreement ("**SXP Put Option Deed**"). The SXP Put Option Deed allows SIS Australia Group to exercise, on or after September 30, 2020, a call option to acquire the remaining shares of (a) Andwills from Bourke, and (b) SX Protective from the Minority Sellers (collectively, the "**Balance SXP Shares**"). Upon acquisition of the Balance SXP Shares, SIS Australia Group will hold 100% direct shareholding in Andwills, and accordingly, control indirectly 100% of the equity capital and voting rights in SX Protective, SXP and the SXP Subsidiaries.

Under the SXP Put Option Deed, the call option can be exercised in the following manner:

(i) The Balance SXP Shares are to be valued for the purpose of purchase by SIS Australia Group by September 30, 2020 using a formula based on the CAGR achieved by SXP in its EBITDA over Fiscal Year 2017 to Fiscal Year 2020 and the increase in EBITDA as a percentage of revenue;

(ii) On or after September 30, 2020, SIS Australia Group, has the option call for purchase of the Balance SXP Shares at such equity value which will be computed using the multiple of the EBITDA as may be derived on applying the formula stated in (i) above, after reducing the net debt of SXP as at June 30, 2020; and

(iii) if SIS Australia Group fails to exercise the put option over the Balance SXP Shares, Bourke and the Minority Sellers have the option to sell the Balance SXP Shares to SIS Australia Group at such equity value which will be computed using the multiple of the EBITDA as may be derived on applying the formula stated in (i) above, after reducing the net debt of SXP as at June 30, 2020.

Further, SIS Australia Group has entered into an amended and restated shareholders agreement dated June 9, 2017 with SXP, SX Protective, the Minority Sellers, Pat Bourke, Bourke and certain other parties ("**SXP SHA**"), to regulate the ownership and control of SXP. Certain key terms of the SXP SHA include the following:

(i) SIS Australia Group has the right to nominate three directors on SXP's board of directors. The other members of SXP's board will comprise of Pat Bourke (as managing director for at least three years) and a nominee of Pat Bourke.

(ii) SIS Australia Group has the right to nominate two directors each on the board of Andwills and SX Protective.

(iii) Bourke and the Minority Sellers are restricted from transferring the Balance SXP Shares to any person till the expiry of the exercise period for the put/ call option under the SXP Put Option Deed.

(iv) Any default by a party to any of the SXP Acquisition agreements entitles the non-defaulting parties to seek a third party purchaser for the Balance SXP Shares, and a right to drag-along the defaulting party to such sale.

The SXP SHA will terminate on transfer of all Balance SXP Shares by Bourke and the Minority Sellers to SIS Australia Group.

Holding Company

Our Company does not have a holding company.

Subsidiaries of our Company

Currently, our Company has 31 Subsidiaries.

***Indian Subsidiaries*:**

Direct Subsidiaries in India

1. Tech SIS Limited
2. Terminix SIS India Private Limited
3. Service Master Clean Limited
4. SIS Business Support Services and Solutions Private Limited
5. Dusters Total Solutions Services Private Limited
6. SISCO Security Services Private Limited

Indirect Subsidiaries in India

1. Sunrays Overseas Private Limited
2. Vardan Overseas Private Limited
3. Lotus Learning Private Limited

Overseas Subsidiaries:

Direct Overseas Subsidiaries

1. SIS International Holdings Limited

Indirect Overseas Subsidiaries

1. SIS Asia Pacific Holdings Limited
2. SIS Australia Holdings Pty. Ltd.
3. SIS Group International Holdings Pty. Ltd.
4. SIS Australia Group Pty. Ltd.
5. MSS Strategic Medical & Rescue Pty. Ltd.
6. SIS MSS Security Holdings Pty. Ltd.
7. MSS Security Pty. Ltd.
8. Australian Security Connections Pty. Ltd.
9. Andwills Pty. Limited
10. SX Protective Services Pty. Ltd.
11. Southern Cross Protection Pty. Ltd.
12. Southern Cross FLM Pty Ltd

13. Southern Cross Loss Prevention Pty Ltd
14. Cage Security Alarms Pty. Limited
15. Cage Security Guard Services Pty Ltd
16. Eymet Security Consultants Pty Ltd
17. Askara Pty Ltd
18. Charter Customer Services Pty Ltd
19. Charter Security Protective Services Pty Ltd
20. Charter Security (NZ) Pty Limited
21. MSS AJG Pty Ltd

The details of our Subsidiaries are as follows.

Indian Subsidiaries:

Direct Subsidiaries in India

1. Tech SIS Limited

Corporate information

Tech SIS was originally incorporated as 'SIS Electronic Security Systems Limited' on March 31, 2010 under the Companies Act, 1956 with the RoC. Subsequently, the name of the company was changed to 'Tech SIS Limited', and a fresh certificate of incorporation was issued by the RoC on June 15, 2011. Tech SIS received a certificate for commencement of business on May 21, 2010. Its CIN is U75300BR2010PLC015484 and its registered office is situated at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.

Tech SIS is enabled under its objects to carry on the business of *inter alia* manufacture, production, assembly of and otherwise dealing in electronic security equipment and providing services in the field of technology based safety and security mechanisms for industrial, commercial and domestic purposes. Tech SIS is currently engaged in the business of providing electronic security systems.

The board of directors of Tech SIS comprises the following persons:

1. Ravindra Kishore Sinha;
2. Rita Kishore Sinha;
3. Rituraj Kishore Sinha;
4. Brajesh Kumar;
5. Dhiraj Singh; and
6. Tapash Chaudhuri.

Capital structure and shareholding pattern

The authorised share capital of Tech SIS is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of Tech SIS is ₹ 48,000,000 divided into 4,800,000 equity shares of ₹ 10 each.

The shareholding pattern of Tech SIS is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	4,799,994	99.99
2.	Ravindra Kishore Sinha*	1	*Negligible*
3.	Rituraj Kishore Sinha*	1	*Negligible*
4.	Rita Kishore Sinha*	1	*Negligible*

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
5.	Pallavi Khanna*	1	*Negligible*
6.	Vinay Kumar Srivastava*	1	*Negligible*
7.	Chandra Bhushan Prasad*	1	*Negligible*
Total		**4,800,000**	**100**

* *Beneficial ownership in these equity shares is owned by our Company.*

2. Terminix SIS India Private Limited

Corporate information

SIS Terminix was incorporated on September 27, 2011 under the Companies Act, 1956 with the RoC. Its CIN is U93000BR2011PTC017532 and its registered office is situated at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.

SIS Terminix is enabled under its objects to carry on the business of *inter alia* manufacture, production, processing and application of and otherwise dealing in pesticides intermediates and pest control activities. SIS Terminix is currently engaged in the business of providing pest and termite control services.

The board of directors of SIS Terminix comprises the following persons:

1. Ravindra Kishore Sinha;
2. Rituraj Kishore Sinha; and
3. Uday Singh.

Capital structure and shareholding pattern

The authorised share capital of SIS Terminix is ₹ 225,000,000 divided into 22,500,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of SIS Terminix is ₹ 225,000,000 divided into 22,500,000 equity shares of ₹ 10 each.

The shareholding pattern of Terminix is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	11,252,250	50.01
2.	SVM Services (Singapore) Pte Ltd.	11,247,750	49.99
Total		**22,500,000**	**100**

3. Service Master Clean Limited

Corporate information

SMC was originally incorporated as ‘Service Master Clean Private Limited’ on March 13, 2009 under the Companies Act, 1956 with the RoC. Subsequently, the name of the company was changed to ‘Service Master Clean Limited’ upon conversion of the company into a public limited company, and a fresh certificate of incorporation was issued by the RoC on March 5, 2010. Its CIN is U90001BR2009PLC014332 and its registered office is situated at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.

SMC is enabled under its objects to carry on the business of *inter alia* conducting janitorial services and commercial programs and undertaking disaster restoration activities. SMC is engaged in the business of provision of mechanised commercial cleaning services.

The board of directors of SMC comprises the following persons:

1. Ravindra Kishore Sinha;
2. Rituraj Kishore Sinha;
3. Brajesh Kumar;
4. Dhiraj Singh;
5. Arvind Kumar Prasad; and
6. Devdas Apte.

Capital structure and shareholding pattern

The authorised share capital of SMC is ₹ 200,000,000 divided into 20,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of SMC is ₹ 195,128,000 divided into 19,512,800 equity shares of ₹ 10 each.

The shareholding pattern of SMC is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	11,512,794	59.00
2.	SIS Group International	8,000,000	40.99
3.	Ravindra Kishore Sinha*	1	*Negligible*
4.	Rituraj Kishore Sinha*	1	*Negligible*
5.	Uday Singh*	1	*Negligible*
6.	Arvind Kumar Prasad*	1	*Negligible*
7.	Chandra Bhushan Prasad*	1	*Negligible*
8.	Vinay Kumar Srivastava*	1	*Negligible*
Total		**19,512,800**	**100**

* *Beneficial ownership in these equity shares is owned by our Company.*

4. SIS Business Support Services and Solutions Private Limited

Corporate information

SIS Business Support Services was incorporated on July 21, 2016, under the Companies Act, 2013 with the RoC. Its CIN is U74999BR2016PTC032083 and its registered office is situated at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.

SIS Business Support Services is enabled under its objects to carry on the business of *inter alia* conducting business services and commercial programs, which comprises of janitorial type services rendered on a continuing daily, weekly, or monthly basis pursuant to a contract, written or oral entered into with the management, owners, societies, federations or tenants of any commercial or institutional building; and services provided for management or tenants of any commercial or institutional building, including window cleaning services, carpet maintenance, carpet cleaning, hard surface floor maintenance, furniture cleaning and any other service not in conjunction with contractual janitorial services. SIS Business Support Services is currently not engaged in any business operations.

The board of directors of SIS Business Support Services comprises the following persons:

1. Pramod Kumar Varma; and
2. Brajesh Kumar.

Capital structure and shareholding pattern

The authorised share capital of SIS Business Support Services is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of SIS Business Support Services is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

The shareholding pattern of SIS Business Support Services is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	9,999	99.99
2.	Pramod Kumar Varma*	1	*Negligible*
Total		**10,000**	**100**

* *Beneficial ownership in these equity shares is owned by our Company.*

5. Dusters Total Solutions Services Private Limited

Corporate information

Dusters was originally incorporated as 'Dusters Hospitality Services Private Limited' on May 8, 2007 under the Companies Act, 1956 with the Registrar of Companies, Karnataka. Subsequently, the name of the company was changed to 'Dusters Total Solutions Services Private Limited', and a fresh certificate of incorporation was issued by the Registrar of Companies, Karnataka on September 18, 2010. Its CIN is U74999KA2007PTC042734 and its registered office is situated at # 50, Zatakia House, 4th Floor, 100 feet Road, Indiranagar, Bengaluru 560 038, Karnataka, India.

Dusters is enabled under its objects to carry on the business of *inter alia* undertaking contracts in facility management services and providing maintenance solutions services for carpets and stone surfaces and on call maintenance and any other value added services. Dusters is currently engaged in the business of providing housekeeping and maintenance services.

The board of directors of Dusters comprises the following persons:

1. Jasmer Kewal Puri;
2. Shamsher Puri;
3. Uday Singh;
4. Rituraj Kishore Sinha;
5. Vamshidhar Guthikonda;
6. Dhiraj Singh; and
7. Devesh Desai.

Capital structure and shareholding pattern

The authorised share capital of Dusters is ₹ 67,000,000 comprising of 5,700,000 equity shares of ₹ 10 each and 1,000,000 preference shares of ₹ 10 each. The issued, subscribed and paid-up capital of Dusters is ₹ 28,016,660 divided into 2,801,666 equity shares of ₹ 10 each.

The shareholding pattern of Dusters is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	2,407,263	85.92
2.	Shamsher Puri	263,582	9.41
3.	Jasmer Kewal Puri	130,821	4.67
Total		**2,801,666**	**100**

6. SISCO Security Services Private Limited

Corporate information

SISCO Security was incorporated on November 21, 2016 under the Companies Act, 2013 with the RoC. Its CIN is U74999BR2016PTC032917 and its registered office is situated at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.

SISCO Security is enabled under its objects to carry on the business of *inter alia* providing security staff for personal and industrial security purposes and to do and act as security consultants, investigators, advisors on security and personnel matters within the state of Bihar or elsewhere within India. SISCO Security is currently not engaged in any business activity.

The board of directors of SISCO Security comprises the following persons:

1. Ravindra Kishore Sinha; and
2. Rituraj Kishore Sinha.

Capital structure and shareholding pattern

The authorised, issued, subscribed and paid-up capital of SISCO Security is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

The shareholding pattern of SISCO Security is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	9,999	99.99%
2.	Pramod Kumar Verma*	1	*Negligible*
Total		**100,000**	**100**

* *Beneficial ownership in these equity shares is owned by our Company.*

Indirect Subsidiaries in India

1. Sunrays Overseas Private Limited

Corporate information

Sunrays Overseas was incorporated on September 5, 1994 under the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi and Haryana. Its CIN is U74899DL1994PTC061257 and its registered office is situated at A 29, Okhla Industrial Area Phase – I, New Delhi 110 020, India.

Sunrays Overseas is enabled under its objects to carry on the business of *inter alia*, construction, maintenance and alteration, of residential, commercial, industrial plots and properties and to give them on lease, rent or otherwise and to conduct real estate activities as real estate agents and estate managers and to collect rent, repair, look after and manage immovable properties of or for any persons. Sunrays Overseas is currently not engaged in any business operations and owns the corporate office of our Company.

The board of directors of Sunrays Overseas comprises the following persons:

1. Rituraj Kishore Sinha; and
2. Pallavi Khanna.

Capital structure and shareholding pattern

The authorised share capital of Sunrays Overseas is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of Sunrays Overseas is ₹ 921,000 divided into 92,100 equity shares of ₹ 10 each.

The shareholding pattern of Sunrays Overseas is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	SMC	92,080	99.98
2.	Rituraj Kishore Sinha*	20	0.02
Total		**92,100**	**100.00**

* *Beneficial ownership in these equity shares is owned by SMC.*

2. Vardan Overseas Private Limited

Corporate information

Vardan Overseas was incorporated on May 16, 1994 under the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi and Haryana. Its CIN is U74899DL1994PTC059023 and its registered office is situated at A – 28 Okhla Industrial Area Phase – I, New Delhi 110 020, India.

Vardan Overseas is enabled under its objects to carry on the business of *inter alia*, construction, maintenance and alteration, of residential, commercial, industrial plots and properties and to give them on lease, rent or otherwise and to conduct real estate activities as real estate agents and estate managers and to collect rent, repair, look after and manage immovable properties of or for any persons. Vardan Overseas is currently not engaged in any business operations and owns the corporate office our Company.

The board of directors of Vardan Overseas comprises the following persons:

1. Rituraj Kishore Sinha;
2. Pallavi Khanna.

Capital structure and shareholding pattern

The authorised share capital of Vardan Overseas is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of Vardan Overseas is ₹ 297,700 divided into 29,770 equity shares of ₹ 10 each.

The shareholding pattern of Vardan Overseas is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	SMC	29,760	99.97
2.	Rituraj Kishore Sinha*	10	0.03
Total		**29,770**	**100.00**

* *Beneficial ownership in these equity shares is owned by SMC.*

3. Lotus Learning Private Limited

Corporate information

Lotus was originally incorporated as 'L.B. Educational Aids Private Limited' on August 14, 1984 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra. Subsequently, the name of the company was changed to 'Lotus Learning Private Limited', and a fresh certificate of incorporation was issued by the Registrar of Companies, Maharashtra on February 4, 1986. Its CIN is U80900MH1984PTC033737 and its registered office is situated at 1301 & 1401, Le Papeyon Cooperative Housing Society Limited Mount Mary Road Mumbai 400 050, Maharashtra, India.

Lotus is enabled under its objects to carry on the business of *inter alia* import, export and distributions of books, periodicals, cassettes and tapes. Lotus is currently not engaged in any business.

The board of directors of Lotus comprises the following persons:

1. Rituraj Kishore Sinha; and
2. Rivoli Sinha Aggarwal.

Capital structure and shareholding pattern

The authorised share capital of Lotus is ₹ 4,800,000 comprising of 480,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of Lotus is ₹ 4,800,000 divided into 480,000 equity shares of ₹ 10 each.

The shareholding pattern of Lotus is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	SMC	479,999	99.99
2.	Rituraj Kishore Sinha*	1	*Negligible*
Total		**480,000**	**100**

* *Beneficial ownership in these equity shares is owned by SMC.*

Overseas Subsidiaries

Direct Overseas Subsidiaries

1. SIS International Holdings Limited

Corporate information

SIHL was incorporated as on July 10, 2008 under the BVI Business Companies Act, 2004. Its corporate registration number is 1492571 and its corporate office is situated at Marcy Building, 2nd Floor Purcell Estate P.O. Box 2416, Road Town, Tortola, British Virgin Islands.

SIHL is the holding company for our international operations.

The board of directors of SIHL comprises the following persons:

1. Ravindra Kishore Sinha;
2. Rituraj Kishore Sinha; and
3. Rita Kishore Sinha

Capital structure and shareholding pattern

The authorised share capital of SIHL is 41,200,000,000 equity shares and one convertible preference share, each of no par value. The issued and subscribed capital of SIHL is AUD 4,000,000 for 4,000,000 equity shares and one convertible preference share of no par value. The paid up capital of SIHL is AUD 4,000,000 for 4,000,000 equity shares.

The shareholding pattern of SIHL is as follows:

S. No.	Name of shareholder	No. of equity shares of AUD 1 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	3,999,999	99.99
2.	Ravindra Kishore Sinha*	1	*Negligible*
Total		4,000,000	100

**Beneficial ownership in these equity shares is owned by our Company.*

Indirect Overseas Subsidiaries

1. SIS Asia Pacific Holdings Limited

Corporate information

SIS Asia Pacific was originally incorporated on August 26, 2008 under the laws of Malta. Its corporate registration number is C44978 and its registered office is situated at Level 1, Blue Harbour Business Centre, Ta' Xbiex Yacht Marina, Ta' Xbiex, Malta.

SIS Asia Pacific is enabled under its objects to carry on the business of *inter alia* to act as a holding company. SIS Asia Pacific is currently the holding company of SAHL.

The board of directors of SIS Asia Pacific comprises the following persons:

1. Amicorp Malta Limited;
2. Amicorp Services Limited;
3. Ravindra Kishore Sinha;
4. Rita Kishore Sinha; and
5. Paul Bugeja

Capital structure and shareholding pattern

The authorised, issued, subscribed and paid-up share capital of SIS Asia Pacific is AUD 4,000,000 comprising of 4,000,000 ordinary shares of AUD 1 each.

The shareholding pattern of SIS Asia Pacific is as follows:

S. No.	Name of shareholder	No. of ordinary shares of AUD 1 each	Percentage of issued capital
1.	SIHL	3,999,999	99.99
2.	Ravindra Kishore Sinha*	1	*Negligible*
Total		4,000,000	100

**Beneficial ownership in these equity shares is owned by SIS International Holdings Limited, our Subsidiary.*

2. SIS Australia Holdings Pty. Limited

Corporate information

SAHL was originally incorporated as Guards/Mobiles Headco Pty Limited on July 14, 2008 under the Corporations Act, 2001 with the Australian Securities and Investments Commission. Subsequently, on March 31, 2009, the name of the company was changed to 'SIS Australia Holdings Pty. Limited'. Its Australian Company Number is 132 211 459 and its registered office is situated at Level 2, 63-79 Parramatta Road, Silverwater, New South Wales, 2127, Australia.

SAHL is engaged in the business of *inter alia* providing services relating to all aspects of physical security, and paramedic and emergency response services.

The board of directors of SAHL comprises the following persons:

1. Uday Singh;
2. Rituraj Kishore Sinha;
3. Michael John McKinnon; and
4. Rivoli Sinha.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of SAHL is AUD 4,000,000 comprising of 501 ordinary shares.

The shareholding pattern of SAHL is as follows:

S. No.	Name of shareholder	No. of ordinary shares	Percentage of issued capital
1.	SIS Asia Pacific	501	100
Total		501	100

3. SIS Group International Holdings Pty. Ltd.

Corporate information

SIS Group International was incorporated on June 13, 2014 under the Corporations Act, 2001 with the Australian Securities and Investments Commission. Its Australian Company Number is 600 112 490 and its registered office is situated at Level 2 Gateway Building, 63-79 Parramatta Road, Silverwater, New South Wales, 2127, Australia.

SIS Group International is currently engaged in the business of investing in other companies.

The board of directors of SIS Group International comprises the following persons:

1. Rituraj Kishore Sinha; and
2. Michael John McKinnon.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital of SIS Group International is AUD 10,000 divided into 10,000 ordinary shares of AUD 1 each.

The shareholding pattern of SIS Group International is as follows:

S. No.	Name of shareholder	No. of ordinary shares of AUD 1 each	Percentage of issued capital
1.	SAHL	10,000	100
Total		10,000	100

4. SIS Australia Group Pty. Limited

Corporate information

SIS Australia Group was originally incorporated as ‘Static Guards SPV Holdco #1 Pty Ltd’ on July 14, 2008 under the Corporations Act, 2001 with the Australian Securities and Investments Commission. Subsequently, the name of the company was changed to ‘SIS Australia Group Pty. Ltd’ on March 31, 2009. Its Australian Company Number is 132 211 806 and its registered office is situated at Level 2, 63-79 Parramatta Road, Silverwater, New South Wales, 2127, Australia.

SIS Australia Group is currently engaged in the business of *inter alia* providing services relating to all aspects of physical security, and paramedic and emergency response services.

The board of directors of SIS Australia Group comprises the following persons:

1. Uday Singh;
2. Rituraj Kishore Sinha;

3. Michael John McKinnon
4. Tarun Khanna; and
5. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of SIS Australia Group is AUD 15,800,000 comprising of 15,800,000 ordinary shares of AUD 1 each.

The shareholding pattern of SIS Australia Group is as follows:

S. No.	Name of shareholder	No. of ordinary shares of AUD 1 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	800,000	5.06
2.	SAHL	15,000,000	94.94
Total		15,800,000	100

5. MSS Strategic Medical & Rescue Pty. Ltd.

Corporate information

MSS Strategic was originally incorporated as 'MSS Strategic Medical Pty. Ltd.' on January 30, 2012 under the Corporations Act, 2001 with the Australian Securities and Investments Commission. Subsequently, the name of the company was changed to 'MSS Strategic Medical Rescue Pty Ltd' on March 31, 2015. Its Australian Company Number is 155 387 152 and its registered office is situated at Level 2, 63-79 Parramatta Road, Silverwater, New South Wales, 2127, Australia.

MSS Strategic is engaged in the business of *inter alia providing* services relating to paramedic and emergency response activities.

The board of directors of MSS Strategic comprises the following persons:

1. Uday Singh;
2. Rituraj Kishore Sinha;
3. Nick Samios;
4. Michael John McKinnon; and
5. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of MSS Strategic is AUD 10,000 comprising of 10,000 ordinary shares of AUD 1 each.

The shareholding pattern of MSS Strategic is as follows:

S. No.	Name of shareholder	No. of ordinary shares of AUD 1 each	Percentage of issued capital
1.	SIS Australia Group	10,000	100
Total		10,000	100

6. SIS MSS Security Holdings Pty. Ltd.

Corporate information

MSS Security Holdings was originally incorporated as 'SIS SPV Pty Ltd.' on 14 July 2008 under the Corporations Act, 2001 with the Australian Securities and Investments Commission. Subsequently, the name of the company was changed to 'SIS MSS Security Holdings Pty. Ltd.' on March 31, 2009. Its Australian Company Number is 132 211 824 and its registered office is situated at Level 2, 63-79 Parramatta Road, Silverwater, New South Wales, 2127, Australia.

MSS Security Holdings is engaged in the business of *inter alia* providing services related to all aspects of physical security.

The board of directors of MSS Security Holdings comprises the following persons:

1. Uday Singh;
2. Rituraj Kishore Sinha; and
3. Michael John McKinnon.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of MSS Security Holdings is AUD 15,000,000 comprising of 15,000,000 ordinary shares of AUD 1 each.

The shareholding pattern of MSS Security Holdings is as follows:

S. No.	Name of shareholder	No. of ordinary shares of AUD 1 each	Percentage of issued capital
1.	SIS Australia Group	15,000,000	100
Total		15,000,000	100

7. MSS Security Pty. Ltd.

Corporate information

MSS Security was incorporated on May 16, 2002 under the Corporations Act, 2001 with the Australian Securities and Investments Commission. Its Australian Company Number is 100 573 966 and its registered office is situated at Level 2, 63-79 Parramatta Road, Silverwater, New South Wales, 2127, Australia.

MSS Security is engaged in the business of carrying on the business of *inter alia* providing services related to all aspects of physical security.

The board of directors of MSS Security comprises the following persons:

1. Uday Singh;
2. Rituraj Kishore Sinha;
3. Donald Hugh Burnett;
4. Michael John McKinnon;
5. Devesh Desai;
6. Tarun Khanna;
7. Geoffrey Alcock; and
8. Nick Samios.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital of MSS Security is AUD 10,000,000 comprising of 10,000,000 ordinary shares of AUD 1 each.

The shareholding pattern of MSS Security is as follows:

S. No.	Name of shareholder	No. of ordinary shares of AUD 1 each	Percentage of issued capital
1.	MSS Security Holdings	10,000,000*	100
Total		10,000,000	100

* *These ordinary shares are held by MSS Security Holdings as trustee for an unnamed trust.*

8. Australian Security Connections Pty. Ltd.

Corporate information

Australian Security was incorporated on August 23, 2012 with the Australian Securities and Investments Commission. Its Australian Company Number is 160 045 189 and its registered office is situated at Level 2, 63-79 Parramatta Road, Silverwater, New South Wales, 2127, Australia.

Australian Security is currently engaged in the business of *inter alia* providing services related to all aspects of physical security.

The board of directors of Australian Security comprises the following persons:

1. Rituraj Kishore Sinha;
2. Michael John McKinnon; and
3. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Australian Security is AUD 10,000 comprising of 10,000 ordinary shares of AUD 1 each.

The shareholding pattern of Australian Security is as follows:

S. No.	Name of shareholder	No. of ordinary shares of AUD 1 each	Percentage of issued capital
1.	MSS Security Holdings	10,000	100
Total		10,000	100

9. Andwills Pty. Limited

Corporate information

Andwills Pty. Limited was incorporated on June 20, 2014 with the Australian Securities and Investments Commission. Its Australian Company Number is 600 230 564 and its registered office is situated at Unit 28, 26-32 Pirrama Road, Pyrmont NSW 2009, Australia.

Andwills Pty. Limited is a holding company and is currently not engaged in any business activity in its own capacity.

The board of directors of Andwills Pty. Limited comprises the following persons:

1. Patrick David Bourke;
2. Michael John McKinnon; and
3. Devesh Desai

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Andwills Pty. Limited comprises of 10,000 ordinary shares.

The shareholding pattern of Andwills Pty. Limited is as follows:

S. No.	Name of shareholder	No. of shares	Percentage of ordinary issued capital
1.	Bourke Family Holdings Pty Ltd*	5,764 ordinary shares	57.64
2.	SIS Australia Group	4,236 ordinary shares	42.36
3.	SIS Australia Group	1,764 “D” class shares	-
Total		10,000	100

* *These ordinary shares are held by MSS Security Holdings as trustee for an unnamed trust.*

10. SX Protective Services Pty. Ltd.

Corporate information

SX Protective Services Pty. Ltd was incorporated on July 14, 2008 with the Australian Securities and Investments Commission. Its Australian Company Number is 132 211 851 and its registered office is situated at Unit 28, 26-32 Pirrama Road, Pyrmont NSW 2009.

SX Protective Services Pty. Ltd is a holding company and is currently not engaged in any business activity in its own capacity.

The board of directors of SX Protective Services Pty. Ltd comprises the following persons:

1. Patrick David Bourke;
2. Michael John McKinnon; and
3. Devesh Desai

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of SX Protective Services Pty. Ltd comprises of 1,000,000 ordinary shares.

The shareholding pattern of SX Protective Services Pty. Ltd is as follows:

S. No.	Name of shareholder	No. of shares	Percentage of ordinary shares issued capital
1.	Anzus Pty. Ltd*	27,222 ordinary shares and 1 Class W share	2.72
2.	Teide Pty Ltd*	Nil ordinary shares and 1 Class Y share	-
3.	Andwills Pty. Limited	850,000 ordinary shares and 1 Class Z share held	85
4.	David John Medhurst and Annette Elaine Medhurst*	27,222 ordinary shares and 1 Class X share	2.72
5.	SIS Australia Group	95,556 ordinary shares	9.56
Total		1,000,000	100

* *These ordinary shares are held by MSS Security Holdings as trustee for an unnamed trust.*

11. Southern Cross Protection Pty. Ltd.

Southern Cross Protection Pty. Ltd. was incorporated on August 9, 2000 under the Corporations Act, 2001 with the Australian Securities and Investments Commission by the name of Chubb Mobile Services Proprietary Limited. Its Australian Company Number is 094 077 255 and its registered office is situated at Unit 28, 26-32 Pirrama Road, Pyrmont NSW 2009. The Southern Cross Protection Pty. Ltd. is engaged in the business of providing physical security services such as patrol inspections, alarm responses installation and maintenance intrusion detection and closed circuit camera systems, risk advisory and loss prevention services.

The board of directors of Southern Cross Protection Pty. Ltd. comprises the following persons:

1. Patrick David Bourke;
2. Uday Singh;
3. Michael John McKinnon;
4. Devesh Desai; and
5. Andrew Vlachos

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Southern Cross Protection Pty. Ltd. is 392,061 ordinary shares.

The shareholding pattern of Southern Cross Protection Pty. Ltd. is as follows:

S. No.	Name of shareholder	No. of ordinary shares	Percentage of issued capital
1.	SX Protective Services Pty. Ltd	352,855	90
2.	SIS Australia Group	39,206	10
Total		392,061	100

12. Southern Cross FLM Pty Ltd

Corporate information

Southern Cross FLM Pty Ltd was incorporated on April 4, 2013 with the Australian Securities and Investments Commission. Its Australian Company Number is 163 148 043 and its registered office is situated at ‘S28’, 26-32 Pirrama Road, Pyrmont NSW 2009, Australia.

Southern Cross FLM Pty Ltd is a holding company and is currently not engaged in any business.

The board of directors of Southern Cross FLM Pty Ltd comprises the following persons:

1. Patrick David Bourke;
2. Michael John McKinnon; and
3. Devesh Desai

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Southern Cross FLM Pty Ltd comprises of one ordinary share.

The shareholding pattern of Southern Cross FLM Pty Ltd is as follows:

S. No.	Name of shareholder	No. of ordinary share	Percentage of issued capital
1.	Southern Cross Protection Pty. Ltd.	1	100
Total		1	100

13. Southern Cross Loss Prevention Pty Ltd

Corporate information

Southern Cross Loss Prevention Pty Ltd was incorporated on June 27, 2013 with the Australian Securities and Investments Commission. Its Australian Company Number is 164 506 656 and its registered office is situated at ‘S28’, 26-32 Pirrama Road, Pyrmont NSW 2009, Australia.

Southern Cross Loss Prevention Pty Ltd is a holding company and is currently not engaged in any business activity in its own capacity.

The board of directors of Southern Cross Loss Prevention Pty Ltd comprises the following persons:

1. Patrick David Bourke;
2. Michael John McKinnon; and
3. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Southern Cross Loss Prevention Pty Ltd comprises of one ordinary share.

The shareholding pattern of Southern Cross Loss Prevention Pty Ltd is as follows:

S. No.	Name of shareholder	No. of ordinary share	Percentage of issued capital
1.	Southern Cross Protection Pty. Ltd.	1	100
Total		1	100

14. Cage Security Alarms Pty. Limited

Corporate information

Cage Security Alarms Pty. Limited was incorporated on February 9, 1982 with the Australian Securities and Investments Commission. Its Australian Company Number is 002 363 671 and its registered office is situated at Suite 28, 26-32 Pirrama Road, Pyrmont NSW 2009, Australia.

Cage Security Alarms Pty. Limited is currently engaged in the business of *inter alia* providing services related to installation and maintenance for intrusion detection and closed circuit camera systems.

The board of directors of Cage Security Alarms Pty. Limited comprises the following persons:

1. Patrick David Bourke
2. Michael John McKinnon
3. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Cage Security Alarms Pty. Limited comprises of one ordinary share.

The shareholding pattern of Cage Security Alarms Pty. Limited is as follows:

S. No.	Name of shareholder	No. of ordinary share	Percentage of issued capital
1.	Southern Cross Protection Pty. Ltd.	1	100
Total		1	100

15. Cage Security Guard Services Pty Ltd

Corporate information

Cage Security Guard Services Pty Ltd was incorporated on November 15, 2012 with the Australian Securities and Investments Commission. Its Australian Company Number is 161 243 045 and its registered office is situated at Suite 28, 26-32 Pirrama Road, Pyrmont NSW 2009, Australia.

Cage Security Guard Services Pty Ltd is currently not engaged in any business activity.

The board of directors of Cage Security Guard Services Pty Ltd comprises the following persons:

1. Patrick David Bourke
2. Michael John McKinnon
3. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Cage Security Guard Services Pty Ltd comprises of two ordinary shares.

The shareholding pattern of Cage Security Guard Services Pty Ltd is as follows:

S. No.	Name of shareholder	No. of ordinary shares	Percentage of issued capital
1.	Southern Cross Protection Pty. Ltd.	2	100
Total		2	100

16. Eymet Security Consultants Pty Ltd

Corporate information

Eymet Security Consultants Pty Ltd was incorporated on April 10, 2012 with the Australian Securities and Investments Commission. Its Australian Company Number is 157 726 399 and its registered office is situated at Suite 28, 26-32 Pirrama Road, Pyrmont NSW 2009, Australia.

Eymet Security Consultants Pty Ltd is currently not engaged in any business activity.

The board of directors of Eymet Security Consultants Pty Ltd comprises the following persons:

1. Patrick David Bourke
2. Michael John McKinnon
3. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Eymet Security Consultants Pty Ltd comprises of two ordinary shares.

The shareholding pattern of Eymet Security Consultants Pty Ltd is as follows:

S. No.	Name of shareholder	No. of ordinary shares	Percentage of issued capital
1.	Southern Cross Protection Pty. Ltd.	2	100
Total		2	100

17. Askara Pty Ltd

Corporate information

Askara Pty Ltd was incorporated on May 14, 1998 with the Australian Securities and Investments Commission. Its Australian Company Number is 082 632 540 and its registered office is situated Suite 28, 26-32 Pirrama Road, Pyrmont NSW 2009, Australia.

Askara Pty Ltd is currently engaged in the business of *inter alia* providing services related to repair of automatic teller machine, cash in transit pick up and delivery services in Perth, Western Australia.

The board of directors of Askara Pty Ltd comprises the following persons:

1. Patrick David Bourke;
2. Rachel Eleanor Walker;
3. Michael John McKinnon; and
4. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Askara Pty Ltd comprises of one ordinary share.

The shareholding pattern of Askara Pty Ltd is as follows:

S. No.	Name of shareholder	No. of ordinary share	Percentage of issued capital
1.	Southern Cross FLM Pty Ltd	1	100
Total		1	100

18. Charter Customer Services Pty Ltd

Corporate information

Charter Customer Services Pty Ltd was incorporated on March 6, 2012 with the Australian Securities and Investments Commission. Its Australian Company Number is 156 114 091 and its registered office is situated at 26-32 Piramma Road, Pyrmont NSW 2009, Australia.

Charter Customer Services Pty Ltd is currently not engaged in any business activity on its own capacity.

1. Patrick David Bourke;
2. Michael John McKinnon; and
3. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Charter Customer Services Pty Ltd comprises of 100 ordinary shares.

The shareholding pattern of Charter Customer Services Pty Ltd is as follows:

S. No.	Name of shareholder	No. of ordinary shares	Percentage of issued capital
1.	Southern Cross Loss Prevention Pty Ltd	100	100
Total		100	100

19. Charter Security Protective Services Pty Ltd

Corporate information

Charter Security Protective Services Pty Ltd was incorporated on October 30, 2008 with the Australian Securities and Investments Commission. Its Australian Company Number is 133 958 406 and its registered office is situated at 'S28', 26-32 Piramma Road, Pyrmont NSW 2009, Australia.

Charter Security Protective Services Pty Ltd is currently engaged in the business of providing services related to loss services protection to retailers and wholesalers including guard services, advisory services and stock control pronciples. Charter Customer Services Pty Ltd also provides commercial guarding services to customers.

The board of directors of Charter Security Protective Services Pty Ltd comprises the following persons:

1. Patrick David Bourke;
2. Michael John McKinnon; and
3. Devesh Desai.

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Charter Security Protective Services Pty Ltd comprises of 100 ordinary shares.

The shareholding pattern of Charter Security Protective Services Pty Ltd is as follows:

S. No.	Name of shareholder	No. of ordinary shares	Percentage of issued capital
1.	Southern Cross Loss Prevention Pty Ltd	100	100
Total		100	100

20. Charter Security (NZ) Pty Limited

Corporate information

Charter Security (NZ) Pty Limited was incorporated on October 30, 2008 under the Companies Act 1993. Its company number is 1927245 and NZBN is 9429033493053 and its registered office is situated at 300 Richmond Road, Grey Lynn, Auckland, 1021, New Zealand.

Charter Security (NZ) Pty Limited is currently engaged in the business of *inter alia* providing services related to loss prevention to retailers and wholesalers including guard services, advisory services and stock control principles.

The board of directors of Charter Security (NZ) Pty Limited comprises the following person:

1. Patrick David Bourke

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of Charter Security (NZ) Pty Limited comprises of 100 ordinary shares.

The shareholding pattern of Charter Security (NZ) Pty Limited is as follows:

S. No.	Name of shareholder	No. of ordinary shares	Percentage of issued capital
1.	Southern Cross Loss Prevention Pty Ltd	100	100
Total		100	100

21. MSS AJG Pty Ltd

MSS AJG Pty Ltd was incorporated on February 5, 2016. Its Australian Company Number is 610 598 251 and its registered office is situated at Level 2 Gateway Building, 63-79 Parramatta Road, Silverwater NSW 2127, Australia.

MSS AJG Pty Ltd is currently not engaged in any business activity.

The board of directors of MSS AJG Pty Ltd comprises the following persons:

1. Devesh Desai
2. Michael John McKinnon

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital share capital of MSS AJG Pty Ltd comprises of two ordinary shares.

The shareholding pattern of MSS AJG Pty Ltd is as follows:

S. No.	Name of shareholder	No. of ordinary shares	Percentage of issued capital
1.	SIS MSS Security Holdings Pty Ltd (as trustee for an unnamed trust)	2	100
Total		2	100

Shareholding of our Directors in our Subsidiaries

Except as disclosed below, none of our Directors hold shares in our Subsidiaries as on the date of this Prospectus:

Name of Director	Name of Subsidiary	No. of equity shares	Percentage of issued capital of the Subsidiary
Indian Subsidiaries			
Ravindra Kishore Sinha	Tech SIS*	1 equity share	*Negligible*
	SMC*	1 equity share	*Negligible*
Rituraj Kishore Sinha	Tech SIS*	1 equity share	*Negligible*
	SMC*	1 equity share	*Negligible*
	Sunrays Overseas#	20 equity shares	0.02
	Vardan Overseas#	10 equity shares	0.03
	Lotus#	1 equity share	*Negligible*
Uday Singh	SMC*	1 equity share	*Negligible*
Arvind Kumar Prasad	SMC*	1 equity share	*Negligible*
Rita Kishore Sinha	Tech SIS*	1 equity share	*Negligible*
Foreign Subsidiaries			
Ravindra Kishore Sinha	SIS Asia Pacific**	1 equity share	*Negligible*

* *Beneficial ownership in these equity shares is owned by our Company.*
** *Beneficial ownership in these equity shares is owned by SIS International Holdings Limited, our subsidiary.*
# *Beneficial ownership in these equity shares is owned by SMC.*

Significant sale or purchase between our Company and Subsidiaries

Except as may be disclosed in the "*Related Party Transactions*" on page 285 in terms of the Restated Financial Statements, there have been no sale or purchase between our Company and our Subsidiaries and which in aggregate exceed in value 10% of the total sales or purchases of our Company as on the date of the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements for Fiscal Year 2017.

Common Pursuits

MSS Security, one of our Subsidiaries is engaged in activities similar to that of our Company (security services). However, it does not operate in the same geographical markets as our Company. We acquired Chubb Security's security services business in Australia to expand our geographical presence in August 2008 and operate it through our Australian subsidiary, MSS Security. Accordingly, there is no conflict of interest between our Company and MSS Security.

Further, SISCO Security, one of our Subsidiaries, in authorised under its memorandum to carry out the business of providing security personnel (for personal and industrial security) and act as security consultants and investigators. However, as on the date of this Prospectus, SISCO Security is not engaged in any business activities.

For further details of our Subsidiaries and their businesses, see "– *Subsidiaries of our Company*" on page 225. For details on the related business transactions between MSS Security and our Company and significance of such transactions on the financial performance of our Company see, "*Related Party Transactions*" on page 285.

Business interest between our Company and the Subsidiaries/Associates

Except as disclosed in the "*Our Business*" and "*Related Party Transactions*" on pages 181 and 285 respectively, none of the Subsidiaries/Associates have any business interest in our Company.

Other confirmations

Listing

None of our Subsidiaries are listed on any stock exchange in India or abroad. None of our Subsidiaries have been refused listing of any securities at any time, by any of the recognised stock exchanges in India or abroad. None of our Subsidiaries have made any public or rights issue (including any rights issue to the public) in the three years preceding the date of this Prospectus.

Sick Subsidiaries

None of our Subsidiaries have become sick companies under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 or declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Further no winding up, insolvency or bankruptcy proceedings have been initiated against them.

Accumulated profits or losses

There are no accumulated profits or losses of any of our Subsidiaries not accounted for by our Company in its consolidated financial statements.

Sale or purchase of shares of our Subsidiaries or associates during the last six months

Except for Rituraj Kishore Sinha who on May 19, 2016 acquired one share in Lotus for which the beneficial interested is owned by SMC (one of our Subsidiaries), none of our Promoters, nor the members of our Promoter Group or our Directors or their relatives have sold or purchased securities of our Subsidiaries or Associates during the six months preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus.

Joint Ventures of our Company

As on the date of this Prospectus, we had the following joint ventures (apart from our direct and indirect subsidiaries formed pursuant to joint venture agreements).

Currently, our Company has five Joint Ventures.

Indian Joint Ventures

1. SIS Cash Services Private Limited
2. SIS Prosegur Alarm Monitoring and Response Services Private Limited
3. SIS Prosegur Holdings Private Limited
4. SIS Prosegur Cash Logistics

Overseas Joint Ventures

1. Habitat Security Pty. Limited

Indian Joint Ventures

1. SIS Cash Services Private Limited

Corporate information

SIS Cash was incorporated on September 27, 2011 under the Companies Act, 1956 with the RoC. Its CIN is U74140BR2011PTC017533 and its registered office is situated at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.
SIS Cash is enabled under its objects to carry on the business of *inter alia* conducting cash management and allied services, including valuables counting and cash forecasting for cash points. SIS Cash is currently engaged in the business of providing cash logistics services in India.

The board of directors of SIS Cash comprises the following persons:

1. Ravindra Kishore Sinha;
2. Rituraj Kishore Sinha;
3. Devesh Desai;
4. Anil Jain;
5. Nidhi Bothra;
6. Sanjoy Kumar Nahata; and
7. Bimal Kumar Surana.

Capital structure and shareholding pattern

The authorised share capital of SIS Cash is ₹ 200,000,000 divided into 20,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of SIS Cash is ₹ 198,136,640 divided into 19,813,664 equity shares of ₹ 10 each.

The shareholding pattern of SIS Cash is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	Security and Intelligence Services (India) Limited	7,788,892	39.31
2.	Singpai Pte. Ltd.	9,708,695	49
3.	SMC	1,919,804	9.69
4.	Gujarat Fusion Glass LLP	396,273	2

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
Total		**19,813,664**	**100**

2. SIS Prosegur Alarm Monitoring and Response Services Private Limited

Corporate information

SIS Prosegur Alarm was incorporated on July 17, 2015 under the Companies Act, 2013 with the RoC. Its CIN is U74140BR2015PTC024604 and its registered office is situated at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.

SIS Prosegur Alarm is enabled under its objects to carry on the business of *inter alia* providing alarm monitoring response and other related services. SIS Prosegur Alarm is currently not engaged in any business.

The board of directors of SIS Prosegur Alarm comprises the following persons:

1. Rituraj Kishore Sinha;
2. Devesh Desai;
3. Dhiraj Singh;
4. Guillermo Ruiz San Juan;
5. Leonardo Ezequiel Gutierrez;
6. German Gut Revoredo; and
7. Rafael Ros Montero

Capital structure and shareholding pattern

The authorised share capital of SIS Prosegur Alarm is ₹ 250,000,000 divided into 25,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of SIS Prosegur Alarm is ₹ 220,000,000 divided into 22,000,000 equity shares of ₹ 10 each.

The shareholding pattern of SIS Prosegur Alarm is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	Singpai Alarms Pte Ltd.	11,000,000	50
2.	SMC	11,000,000	50
Total		**22,000,000**	**100**

3. SIS Prosegur Holdings Private Limited

Corporate information

SIS Prosegur was incorporated on July 21, 2014 under the Companies Act, 2013 with the RoC. Its CIN is U74910BR2014PTC022583 and its registered office is situated at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna 800 010, Bihar, India.

SIS Prosegur is enabled under its objects to carry on the business of *inter alia* conducting cash management and allied services, including valuables counting and cash forecasting. SIS Prosegur is currently engaged in the business of providing cash logistics services in India.

The board of directors of SIS Prosegur comprises the following persons:

1. Ravindra Kishore Sinha;
2. Rituraj Kishore Sinha;

3. Devesh Desai;
4. Anil Rajkumar Jain;
5. Nidhi Bothra;
6. Sanjay Kumar Nahata;
7. Mohan Vasant Tanksale; and
8. Bimal Kumar Surana.

Capital structure and shareholding pattern

The authorised share capital of SIS Prosegur is ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of SIS Prosegur is ₹ 90,100,000 divided into 9,010,000 equity shares of ₹ 10 each.

The shareholding pattern of SIS Prosegur is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	SIS Cash	9,009,999	99.99
2.	Pramod Kumar Verma*	1	*Negligible*
Total		**9,010,000**	**100**

* *Beneficial ownership in these equity shares is owned by our Company.*

4. SIS Prosegur Cash Logistics Private Limited

Corporate information

SIS Prosegur Cash Logistics was incorporated on June 2, 2015 under the Companies Act, 2013 with the RoC. Its CIN is U74140BR2015PTC024309 and its registered office is situated at Annapoorna Bhawan, Patliputra, Telephone Exchange Road, Patna 800 010, Bihar, India.

SIS Prosegur Cash Logistics is enabled under its objects to carry on the business of *inter alia*, to carry on the business of conducting cash management services and allied services, including but not limited to, transport of: valuables, cash in its different ways and denominations, foreign currency, jewellery, precious metals and stones, bullion, credit and debit cards, purse and every sort of card holding a monetary value upper to the manufacturing cost, telephone cards, cheques, travellers cheques, lottery and gambling tickets, prepaid tickets holding a monetary value upper to the manufacturing cost and any and all kinds of things of value. It is currently not engaged in any business operations.

The board of directors of SIS Prosegur Cash Logistics comprises the following persons:

1. Ravindra Kishore Sinha
2. Rituraj Kishore Sinha;
3. Devesh Desai;
4. Anil Kumar Rajkumar Jain;
5. Nidhi Bothra;
6. Sanjoy Kumar Nahata; and
7. Bimal Kumar Surana.

Capital structure and shareholding pattern

The authorised share capital of SIS Prosegur Cash Logistics is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital of SIS Prosegur is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

The shareholding pattern of SIS Prosegur Cash Logistics is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 10 each	Percentage of issued capital
1.	SIS Cash	9,999	99.99
2.	Pramod Kumar Verma*	1	0.01
Total		**10,000**	**100**

* *Beneficial ownership in these equity shares is owned by SIS Cash.*

Overseas Joint Ventures

1. Habitat Security Pty Limited

Corporate information

Habitat Security was incorporated on February 5, 2016 under the Corporations Act, 2001 with the Australian Securities and Investments Commission. Its Australian Company Number is 610 598 242 and its corporate office is situated at Level 2, 63-79 Parramatta Road, Silverwater, New South Wales, 2127, Australia.

Habitat Security is engaged in the business of *inter alia* security services in the Australian Capital Territory.

The board of directors of Habitat Security comprises the following persons:

1. Michael John McKinnon;
2. Nicole Moore; and
3. David Grimshaw Cheatham.

Capital structure and shareholding pattern

The issued, subscribed, and paid-up capital of Habitat Security is AUD 100 divided into 100 ordinary shares of AUD 1 each.

S. No.	Name of shareholder	No. of equity shares of AUD 1 each	Percentage of issued capital
1.	Australian Job Group Pty Ltd	50	50
2.	David Cheatham	1	1
3.	MSS Security Holdings	49	49
Total		**100**	**100**

None of the equity shares of Habitat Security have been subscribed till date.

Strategic and financial partnerships

Our Company currently does not have any strategic or financial partners.

Guarantees given by the Promoter Selling Shareholders

Except as stated below, our Promoter Selling Shareholders has not provided any guarantees in relation to loans availed by our Company:

Ravindra Kishore Sinha, one of our Promoter Selling Shareholders, has, along with Rita Kishore Sinha, one of our Directors, guaranteed working capital facilities (cash credit and bank guarantee) availed by our Company from the State Bank of India amounting to ₹ 850 million, of which as on May 31, 2017 ₹ 375.29 million is outstanding. In terms of a deed of guarantee dated March 13, 2015, Ravindra Kishore Sinha and Rita Kishore Sinha have guaranteed due payment and discharge of this facility and undertaken, *inter alia*, to forthwith repay outstanding amounts in respect of this facility on demand (in the event of any default by our Company in repayment).

In accordance with loan documents for the aforementioned facility, the period of guarantee subsists during the tenure of the facility. Any default or failure by our Company to repay this loan in a timely manner, or at all, could trigger repayment obligations on the part Ravindra Kishore Sinha. For details see “*Risk Factors - Our Promoters and one of our Directors have provided personal guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations, which may impact the ability of our Promoters and Director to effectively render their duties and thereby, adversely impact our business and operations.*” and “*Financial Indebtedness*” on pages 45 and 464, respectively.

OUR MANAGEMENT

Pursuant to our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. Our Company currently has 12 Directors on its Board, including six Independent Directors.

Our Board

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

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships/Partnerships
Ravindra Kishore Sinha *Designation:* Chairman (Executive Director) *Address:* 702, Ridgewood Tower, Omaxe Forest, Sector-92, Noida - 201 301, Uttar Pradesh, India *Occupation*: Business *Nationality:* Indian *Term:* Five years from May 15, 2014 *DIN:* 00945635	65	*Other Directorships:* 1. Adi Chitragupta Finance Limited 2. HS Media & Publications 3. Kaya Kalp Drugless Healing Private Limited 4. NurtureU Enterprise Private Limited 5. Ritu Raj Resorts Limited 6. Saksham Bharat Skills Limited 7. Security Skills Council (India) Limited 8. Service Master Clean Limited 9. SIS Asia Pacific Holdings Limited 10. SIS Cash Services Private Limited 11. SIS Group Enterprises Limited 12. SIS International Holdings Limited 13. SIS Prosegur Cash Logistics Private Limited 14. SIS Prosegur Holdings Private Limited 15. SISCO Security Services Private Limited 16. Swayam Micro Services 17. Tech SIS Limited 18. Terminix SIS India Private Limited 19. Vital Call Private Limited 20. Vocational Skills Council India Private Limited
Rituraj Kishore Sinha *Designation*: Managing Director *Address:* 702, Ridgewood Tower, Omaxe Forest, Sector-92, Noida - 201 301, Uttar Pradesh, India *Occupation:* Business Executive *Nationality:* Indian *Term*: Five years from April 24, 2017 *DIN:* 00477256	36	*Other Directorships:* 1. Adi Chitragupta Finance Limited 2. Australian Security Connections Pty Ltd. 3. Dusters Total Solutions Services Private Limited 4. Lotus Learning Private Limited 5. MSS Security Pty Limited 6. MSS Strategic Medical and Rescue Pty Ltd 7. NurtureU Enterprise Private Limited 8. Service Master Clean Limited 9. SIS Australia Group Pty Ltd 10. SIS Australia Holdings Pty Ltd 11. SIS Cash Services Private Limited 12. SIS Group Enterprises Limited 13. SIS Group International Holdings Pty Ltd. 14. SIS International Holdings Limited 15. SIS MSS Security Holdings Pty Ltd 16. SIS Prosegur Alarm Monitoring and Response Services Private Limited 17. SIS Prosegur Cash Logistics Private Limited 18. SIS Prosegur Holdings Private Limited 19. SISCO Security Services Private Limited 20. Sunrays Overseas Private Limited

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships/Partnerships
		21. Tech SIS Limited 22. Terminix SIS India Private Limited 23. Vardan Overseas Private Limited 24. Vital Call Private Limited
Uday Singh *Designation:* Whole-time Director and Group CEO *Address:* No 408, Delphi-1, Prestige Acropolis No 20, Hosur Road, Bengaluru - 560 029, Karnataka, India *Occupation*: Service *Nationality:* Indian *Term:* One year from April 24, 2017 *DIN:* 02858520	68	*Other Directorships:* 1. Betterplace Safety Solutions Private Limited 2. Dusters Total Solutions Services Private Limited 3. MSS Security Pty. Ltd 4. MSS Strategic Medical Pty Ltd 5. Saksham Bharat Skills Limited 6. Security Skills Council (India) Limited 7. SIS Australia Group Pty Ltd 8. SIS Australia Holdings Pty Ltd 9. SIS MSS Security Holdings Pty Ltd 10. Terminix SIS India Private Limited 11. Southern Cross Protection Pty. Ltd.
Arvind Kumar Prasad *Designation*: Whole-time Director and Chief Financial Officer *Address*: Sri Niwas Ashram, First Floor, Dwarkanath Lane, Shalimpur Ahra, Patna – 800 003, Bihar, India *Occupation*: Corporate Executive *Nationality:* Indian *Term:* Five years from April 24, 2017 *DIN: 02865273*	60	*Other Directorships:* 1. Security Skills Council (India) Limited 2. Service Master Clean Limited
Rita Kishore Sinha *Designation:* Director *Address:* 702, Ridgewood Tower, Omaxe Forest, Sector-92, Noida - 201 301, Uttar Pradesh, India *Occupation*: Advocate, Supreme Court *Nationality:* Indian *Term:* Liable to retire by rotation *DIN:* 00945652	64	*Other Directorships:* 1. Adi Chitragupta Finance Limited 2. HS Media & Publications 3. Kaya Kalp Drugless Healing Private Limited 4. Maha Manav Mritunjay Institute of Yoga & Alternative Medicine Limited 5. Mritunjay Educational Foundation Limited 6. NurtureU Enterprise Private Limited 7. Ritu Raj Resorts Limited 8. Security Skills Council (India) Limited 9. SIS Asia Pacific Holdings Limited 10. SIS Group Enterprises Limited 11. SIS International Holdings Limited 12. Tech SIS Limited 13. Vocational Skills Council India Private Limited
Jayanta Kumar Basu* *Designation:* Nominee Director	51	*Other Directorships:* 1. Matrix Cellular (International) Services Limited

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships/Partnerships
Address: I-1742,Chittaranjan Park, New Delhi 110 019, Delhi, India *Occupation*: Partner, CX Advisors LLP *Nationality:* Indian *Term:* Liable to retire by rotation** *DIN:* 01268046		2. Transaction Solutions International (India) Private Limited 3. Ujjivan Financial Services Limited *Partnerships:* 1. CX Advisors LLP
Arun Kumar Batra *Designation:* Independent Director *Address:* J-6/3, DLF City Phase II, Gurgaon 122 002, Haryana, India *Occupation*: Proprietor, Business Consultancy World *Nationality:* Indian *Term:* Three years from September 29, 2014 *DIN:* 00023269	61	*Other Directorships:* Nil
Ashok Kumar Mattoo *Designation:* Independent Director *Address:*K-1487, Palam Vihar, Gurgaon 122 017, Haryana, India *Occupation*: Retired *Nationality:* Indian *Term:* Three years from September 29, 2014 *DIN:* 00097757	73	*Other Directorships:* Nil
Amrendra Prasad Verma *Designation:* Independent Director *Address:* 14C, Madhuban, Gen J. C. Bhonsle Marg, Mumbai 400 021, Maharashtra, India *Occupation*: Retired *Nationality:* Indian *Term:* Three years from September 29, 2014 *DIN:* 00236108	64	*Other Directorships:* 1. Adi Chitragupta Finance Limited 2. Electrosteel Castings Limited 3. Solar Industries India Limited 4. SU-KAM Power Systems Limited
Dr. Ajoy Kumar *Designation:* Independent Director	54	*Other Directorships:* 1. Elbit Medical Diagnostics Limited

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships/Partnerships
Address: B-105, Kant Enclave, Faridabad 121 003, Haryana, India *Occupation*: Service *Nationality:* Indian *Term:* Three years from September 29, 2014 *DIN:* 02320218		2. JSS Medical Research India Private Limited
Devdas Apte *Designation:* Additional Director (Independent) *Address:* 11-A, Ashoka Road, New Delhi 110 001, Delhi, India *Occupation*: Social Worker *Nationality:* Indian *Term:* Up to the date of the ensuing Annual General Meeting of the Company*** *DIN:* 03350583	83	*Other Directorships:* 1. Service Master Clean Limited 2. Shivnandan Consulting and Supplies Private Limited
Tirumalai Cunnavakaum Anandanpillai Ranganathan *Designation:* Independent Director *Address:* 236, Munirka Vihar, SFS Flats, Munirka, New Delhi 110 067, Delhi, India *Occupation*: Retired *Nationality:* Indian *Term:* Three years from July 30, 2016 *DIN:* 03091352	63	*Other Directorships:* 1. IL&FS Maritime Infrastructure Company Limited 2. Indian Overseas Bank 3. Insolvency Professional Agency of Institute of Cost Accountants of India 4. RAL Consumer Products Limited 5. SREI Infrastructure Finance Limited

** Pursuant to a resolution of our Board and shareholders dated April 3, 2013, Tarun Khanna was appointed as an alternate director to Jayanta Kumar Basu.*

*** Jayanta Kumar Basu is a nominee of Theano and AAJV on our Board. In accordance with the Second Amendment Agreement, Theano and AAJV will, subsequent to the listing of our Equity Shares, continue to have the right to nominate one director on our Board (subject to this right being approved by our shareholders after the Consummation of the Offer and in accordance with the SEBI Final Observations). Accordingly, the continuation of Jayanta Kumar Basu's tenure on the Board is subject to the approval by way of a special resolution of our shareholders, post-listing, of the right of Theano and AAJV to nominate one director on our Board. See "History and Certain Corporate Matters – Material Agreements – Share Purchase and Shareholders' Agreements" on page 218.*

**** Pursuant to a resolution of our Board dated July 4, 2017, Devdas Apte has been appointed as an Additional Director (Independent) of the Company, with effect from July 4, 2017 up to the date of the ensuing Annual General Meeting, or up to any such later date as may be approved by the shareholders of the Company at the ensuing Annual General Meeting.*

Brief profiles of our Directors

Ravindra Kishore Sinha, aged 65 years, is the Chairman of our Company. He has been associated with our Company since incorporation. He holds a bachelor's degree in arts from Magadh University. He has over 30 years of experience in the business of our Company. At present, he is a Member of Parliament (Rajya Sabha) from Bihar.

He has also served as an advisor to the Ministry of Human Resource Development, Government of India.

Rituraj Kishore Sinha, aged 36 years, is the Managing Director of our Company. He initially joined our Company on July 8, 2002 as the Vice President (International Business Development) and was thereafter designated as the Chief Operating Officer. Subsequently, with effect from April 24, 2017, he was appointed as the Managing Director of our Company. He holds a bachelor's degree in arts from the University of Leeds. He has over 14 years of experience in our Company.

Uday Singh, aged 68 years, is the Group CEO and whole-time Director of our Company. He joined our Company as the Executive Vice President in October, 2002. He has been our CEO since 2004 and whole-time Director since August 6, 2012. He holds a bachelor's degree in science (electrical engineering) from Birla Institute of Technology – Mesra, Ranchi and a post graduate diploma in management from Brilliant's School of Management, Chennai. He has over 38 years of experience in management and has, in the past, held various positions with Metallurgical & Engineering Consultants (India) Limited as Engineering Manager, with Jindal Vijaynagar Steel Ltd as Deputy Manager (System Integration and Quality) and with Praxair Carbon Dioxide Private Limited as Director and Business Head.

Arvind Kumar Prasad, aged 60 years, is the whole-time Director and Chief Financial Officer of our Company. He has been associated with our Company since July 5, 1985. He holds a bachelor's degree in commerce from the University of Calcutta and an intermediate degree from the Institute of Chartered Accountants of India (ICAI). He has over 30 years of experience in the finance sector.

Rita Kishore Sinha, aged 64 years, is a non-executive Director of our Company. She has been associated with our Company since March 31, 1995. She holds a bachelor's degree in arts (Hindi) and a bachelor's degree in law from Ranchi University. She has around 30 years of experience in the legal field and is presently enrolled with the Supreme Court Bar Association.

Arun Kumar Batra, aged 61 years, is an Independent Director of our Company. He has been associated with our Company since September 29, 2007 as a Director and as an Independent Director since September 29, 2014. He holds a bachelor's degree in arts (economics) from St. Stephen's College, Delhi University and is a fellow of the Institute of Chartered Accountants of India. He has over 37 years of experience and has in the past worked with Nestle India Limited, Eternit Everest Limited and Group4 Securicor India.

Ashok Kumar Mattoo, aged 73 years, is an Independent Director of our Company. He has been associated with our Company since January 15, 2005 as a Director and as an Independent Director since September 29, 2014. He holds a bachelor's degree in engineering from the University of Gauhati. He has over 30 years of experience in the engineering industry and has, in the past, held various positions with Tata Iron and Steel Company Limited as General Manager, Corporate Communications and Bharat Heavy Electricals Limited as Executive Engineer.

Amrendra Prasad Verma, aged 64 years, is an Independent Director of our Company. He has been associated with our Company since January 11, 2013 as a Director and as an Independent Director since September 27, 2013. He holds a master's degree in arts (political science) from Patna University. He has over 35 years of experience in banking field and has in the past worked with SBI Capital Markets Limited as Managing Director and CEO and GE Mid Corporate Group as the Deputy Managing Director.

Jayanta Kumar Basu, aged 51 years, is a Nominee Director of our Company. He has been associated with our Company as an additional director since April 3, 2013 and as a Director since September 27, 2013. He holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and a bachelor's degree in arts (economics) from the University of Delhi. He has over 27 years of experience in the fields of investing, investment banking and corporate banking. He is currently Designated Partner at CX Advisors LLP. He has previously worked with Citibank India.

Dr. Ajoy Kumar, aged 54 years, is an Independent Director of our Company. He has been associated with our Company since February 13, 2013. He holds a bachelor's degree in medicine and a bachelor's degree in surgery from the University of Madras, a post graduate diploma in business administration from Pondicherry University and a post graduate diploma in medical informatics from Medvarsity and Apollo Hospitals, Hyderabad. He has over 28 years of experience in the medical field and has, in the past, worked with TATA Sons Limited as General Manager, Cummins Diesel as Chief Executive Officer and Apollo Hospitals Group as President. He is currently associated with JSS Medical Research India Private Limited as Chief Executive Officer and Country Head. He has formerly been a member of the Indian Police Services and was also elected as a Member of the Parliament (Lok Sabha) from the Jamshedpur constituency.

Devdas Apte, aged 83 years, is an Independent Director of our Company. He has been associated with our Company since February 16, 1999. Having resigned from our Board with effect from April 24, 2017, he re-joined our Board as an Additional Director (Independent) with effect from July 4, 2017. He holds a bachelor's degree in arts from Nagpur University. He was also elected as a Member of Parliament (Rajya Sabha) from Jharkhand constituency.

Tirumalai Cunnavakaum Anandanpillai Ranganathan, aged 63 years, is an Independent Director of our Company. He has been associated with our Company since July 30, 2016, as an Independent Director. He holds a bachelor's degree in arts (economics) from St. Stephen's College, from University of Delhi and a master's degree in arts (economics) from University of Delhi. He has over 38 years of experience in banking field and has, in the past, held various positions with Export Import Bank of India as the Chairman, with State Bank of Bikaner and Jaipur as the Managing Director and with State Bank of India as the General Manager of Gujarat operations. Presently, he is an empanelled arbitrator on various forums, including NSE, BSE, NCDEX and the Indian Council of Arbitration.

Relationship between Directors

Except as stated below, none of our Directors are related to each other.

Name of the Directors	Relationship
Ravindra Kishore Sinha and Rita Kishore Sinha	Spouse
Ravindra Kishore Sinha and Rituraj Kishore Sinha	Father and Son
Rita Kishore Sinha and Rituraj Kishore Sinha	Mother and Son

Remuneration details of our Directors

(1) Remuneration details of our executive Directors

Ravindra Kishore Sinha

Pursuant to a resolution of our Board dated April 28, 2014 and a resolution of our shareholders dated May 31, 2014, Ravindra Kishore Sinha was re-appointed as our Chairman-cum-Managing Director for a term of five years with effect from May 15, 2014. Subsequently, with effect from April 24, 2017, he resigned as the Managing Director of our Company, but continued to serve as the Chairman. During Fiscal Year 2017, the total amount of compensation paid to him was ₹ 18.17 million.

Pursuant to a resolution of our Board dated April 24, 2017, Ravindra Kishore Sinha is entitled to the following remuneration, per annum, for a period of one year from April 1, 2017 to March 31, 2018:

Particulars	Remuneration (In ₹)
Basic salary	11,965.503
House rent allowance	5,982,752
Other allowance	1,605,978
Contribution to provident fund	1,598,591
Leave Encashment	588,048
Medical insurance	6,000
Perquisite (Car with Driver)	39,600
Total remuneration	21,786,472

Rituraj Kishore Sinha

Pursuant to a resolution of our Board dated April 24, 2017 and a resolution of our shareholders dated May 31, 2017, Rituraj Kishore Sinha was appointed as the Managing Director of our Company for a term of five years with effect from April 24, 2017. During Fiscal Year 2017, the total amount of compensation paid to him was ₹ 6.86 million.

Pursuant to a resolution of our Board dated April 24, 2017, Rituraj Kishore Sinha is entitled to the following remuneration, per annum, for a period of one year from June 1, 2017 to May 31, 2018:

Particulars	Remuneration (In ₹)
Basic salary	4,140,000
House rent allowance	2,070,000
Other allowance	2,272,940
Contribution to provident fund	24,048
Earned leave	199,039
Medical insurance	6,000
Perquisite (Car with Driver)	39,600
Total remuneration	8,751,627

Uday Singh

Pursuant to a resolution of our Board dated April 24, 2017 and a resolution of our shareholders dated May 31, 2017, Uday Singh, the whole-time Director and Group CEO of our Company, was last re-appointed as the Group CEO and whole-time Director of our Company, for a further period of one year effective from April 24, 2017. During Fiscal Year 2017, the total amount of compensation paid to him was ₹ 10.08 million.

Pursuant to a resolution of our Board dated April 24, 2017, Uday Singh is entitled to the following remuneration, per annum, for the period from April 2017 to March 2018:

Particulars	Remuneration (In ₹)
Basic Pay	4,522,500
House rent allowance	2,261,250
Other allowance	1,844,662
Employer's contribution towards provident fund	24,048
Leave Encashment	217,428
Medical insurance	6,000
Gratuity as per rules	217,531
Total remuneration	9,093,429

In addition to the remuneration aforementioned, Uday Singh is also entitled to reimbursement of certain specific expenses on account of conveyance, liveries, stores, books, periodicals and medical expenses not exceeding ₹ 0.37 million per annum.

Arvind Kumar Prasad

Pursuant to a resolution of our Board dated April 24, 2017 and a resolution of our shareholders dated May 31, 2017, Arvind Kumar Prasad, the Chief Financial Officer of our Company, was also appointed as a whole-time Director (designated as Director – Finance) of our Company for a period of five years effective from April 24, 2017. During Fiscal 2017, the total amount of compensation paid to him was ₹ 3.93 million.

Pursuant to a resolution of our Board dated July 4, 2017, subject to approval of shareholders of the Company in a general meeting, Arvind Kumar Prasad is entitled to the following remuneration, per annum, for a period of one year from June 1, 2017 to May 31, 2018:

Particulars	Remuneration (In ₹)
Basic Pay	2,220,420

Particulars	Remuneration (In ₹)
House rent allowance	1,110,210
Other allowance	1,114,885
Conveyance Allowance	158,400
Contribution towards provident fund	24,048
Leave Encashment	109,226
Medical insurance	6,000
Gratuity as per rules	106,811
Total remuneration	4,850,000

(2) Remuneration details of our non-executive and Independent Directors

Pursuant to the resolution of our Board dated September 12, 2016, our non-executive and Independent Directors are entitled to receive sitting fees of ₹ 75,000 for attending each meeting of our Board. Additionally, our Independent Directors are also entitled to reimbursement of travelling and out of pocket expenses incurred by them to attend such meetings. Details of the sitting fees paid and other payments made to our non-executive Directors, including our Independent Directors, during Fiscal Year 2017 are set forth below.

Name of Director	Remuneration paid (In ₹)
Rita Kishore Sinha	32,000
Arun Kumar Batra	32,000
Ashok Kumar Mattoo	32,000
Amrendra Prasad Verma	16,000
Dr. Ajoy Kumar	32,000
Devdas Apte	32,000
Tirumalai Cunnavakaum Anandanpillai Ranganathan	16,000

Remuneration paid or payable from Subsidiaries

Details of the remuneration paid to our Directors by our Subsidiaries during Fiscal Year 2017 are set forth below.

Name of Subsidiary	Name of Director	Remuneration paid
SIS Australia Holdings Pty. Ltd	Uday Singh	AUD 0.11 million

Remuneration paid or payable from Associate Companies

No remuneration has been paid to our Directors by any of our Associate Companies.

Bonus or profit sharing plan for the Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors

Our Articles do not require the Directors to hold any qualification shares.

Details of our Directors who hold Equity Shares as on the date of this Prospectus are as follows:

Name	No. of Equity Shares	% of pre-Offer equity share capital	No. of stock employee options held by them
Ravindra Kishore Sinha	30,420,173	44.27	-
Rita Kishore Sinha	12,111,055	17.63	-
Rituraj Kishore Sinha	8,872,035	12.91	-
Uday Singh	612,447	0.89	-
Arvind Kumar Prasad	165,000	0.24	-

For details of our Directors who hold equity shares in our Subsidiaries as on the date of this Prospectus please see the "*History and Certain Corporate Matters - Shareholding of our Directors in our Subsidiaries*" on page 244.

None of our Directors hold equity shares in our Associate Companies as on the date of this Prospectus.

Service contracts with Directors

There are no service contracts entered into with any of our Directors which provide for benefits upon termination of employment.

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them.

Certain of our Directors may also be regarded as interested in the Equity Shares held by them. Further, certain Directors, except for Ravindra Kishore Sinha, Rituraj Kishore Sinha and Uday Singh, may also be deemed to be interested in Equity Shares that may, pursuant to this Offer, be subscribed by or Allotted to them, their relatives, or to the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters.

Our Nominee Director may be deemed to be interested to the extent of the shareholding in our Company of the entities nominating him.

Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them. For further details regarding the shareholding of our Directors and stock options held by them, see "– *Shareholding of our Directors*" on page 258.

None of the beneficiaries of loans, advances and sundry debtors are related to our Directors.

None of our Directors have been identified as wilful defaulters, as defined under the SEBI ICDR Regulations.

Our Directors, Ravindra Kishore Sinha, Rituraj Kishore Sinha, Rita Kishore Sinha, Uday Singh and Tarun Khanna are also directors and/or promoters of some of our Group Companies and Subsidiaries and may be deemed to be interested to the extent of payments made between our Company and the Group Companies or such Subsidiaries, if any.

No loans have been availed by our Directors from our Company.

Interest in promotion of our Company

Except Ravindra Kishore Sinha and Rituraj Kishore Sinha, who are Promoters of our Company, our Directors have no interest in the promotion of our Company.

Interest in property

Except as stated in "*Our Business - Properties*" on page 203, our Directors have no interest in any property acquired by our Company within the two years preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus, or presently intended to be acquired by our Company or in any transaction for acquisition of land, construction of buildings and supply of machinery.

Payment of benefits (non-salary related)

Except for Uday Singh who was allotted 40,565 Equity Shares in our Company in lieu of the BVI Shares held by him, our Company has not in the last two years preceding date of the Draft Red Herring Prospectus and until the date of this Prospectus, has paid and nor does it intend to pay any non-salary related amount or benefits to our Directors. For details in relation to the aforementioned allotment see, "*Capital Structure - History of equity share capital of our Company*" on page 101.

Appointment of relatives to a place of profit

None of the relatives of the Directors have been appointed to an office or place of profit with our Company.

Business interest

Except as stated in this sub-section "*Interest of Directors"*, Annexure XXX of our Restated Standalone Financial Statements and Annexure XXXII of our Restated Consolidated Financial Statements on pages 259 and 395, respectively, our Directors do not have any other interest in our business or our Company.

Confirmations

Our Directors are not, and have not, during the five years preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus, been on the board of any listed company whose shares have been or were suspended from being traded on the BSE or the NSE.

None of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s) during the term of their directorship.

For details of our Directors' association with the securities market, see "*Other Regulatory and Statutory Disclosures*" on page 514.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Prospectus are as follows:

Name of Director*	Date of change	Reasons
Devdas Apte	July 4, 2017	Appointment as Additional Director (Independent)
Devdas Apte	April 25, 2017	Resignation
Rituraj Kishore Sinha	April 24, 2017	Appointment as Managing Director
Ravindra Kishore Sinha	April 24, 2017	Resignation as Managing Director#
Arvind Kumar Prasad	April 24, 2017	Appointment
Ajay Relan	September 20, 2016	Resignation
Tirumalai Cunnavakaum Anandanpillai Ranganathan	July 30, 2016	Appointment
Ajay Relan	September 26, 2015	Reappointment
Gurminder Singh Kang	September 26, 2015	Resignation

* *Pursuant to a shareholders' resolution dated September 29, 2014, our Independent Directors, Amrendra Prasad Verma, Arun Kumar Batra, Ashok Kumar Mattoo, Dr Ajoy Kumar and Devdas Apte, were reappointed as Independent Directors under the Companies Act, 2013.*

Pursuant to a resolution of the Board dated April 24, 2017 and a resolution of the shareholders dated May 31, 2017, Ravindra Kumar Sinha resigned from the position of the Managing Director of the Company. He, however, continues to serve on the Board as the Chairman of the Company.

Borrowing Powers

Pursuant to a resolution of the shareholders of our Company passed at the AGM held on September 29, 2014, our Board has been authorised to borrow, from time to time, any sum or sums of money, which together with the moneys already borrowed by our Company (apart from the temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital and its free reserves, provided that the total outstanding amount so borrowed shall not at any time exceed ₹ 15,000 million.

Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

Our Chairman is an executive Director. Our Company currently has 12 Directors, of which four are executive Directors, one is a Nominee Director and six are non-executive Independent Directors. We also have one woman director on our Board. Our Company is in compliance with corporate governance norms prescribed under SEBI Listing Regulations and the Companies Act, 2013, particularly, in relation to composition of our Board of Directors and constitution of board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements under SEBI Listing Regulations and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit committee;
(b) Nomination and Remuneration committee;
(c) Stakeholders' Relationship committee; and,
(d) Corporate Social Responsibility committee.

Audit Committee

The Audit Committee currently consists of:

Name	Position in the committee	Designation
Amrendra Prasad Verma	Chairperson	Independent Director
Devdas Apte	Member	Additional Director (Independent)
Ashok Kumar Mattoo	Member	Independent Director

Our Audit Committee was constituted by a resolution of our Board dated April 26, 2006, and was last reconstituted on July 4, 2017, in compliance with Section 177 of the Companies Act, 2013 and SEBI Listing Regulations. The terms of reference of the Audit Committee include the following:

(i) oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) make recommendations for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;

(iv) review, 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our board of directors to take up steps in this matter;

(v) review and monitor the auditor's independence and performance, and effectiveness of audit process;

(vi) approve or subsequently modify transactions of the Company with related parties;

(vii) scrutinise inter-corporate loans and investments;

(viii) discuss with internal auditors of any significant findings and follow up there on;

(ix) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(x) carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of the Company or specified/provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.

Further, The Audit Committee shall review the following information, *inter alia*:

(a) management discussion and analysis of financial condition and results of operations;

(b) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;

(c) management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;

(d) internal audit reports relating to internal control weaknesses;

(e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

(f) statement of deviations in terms of the SEBI Listing Regulations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
(ii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee currently consists of:

Name	Position in the committee	Designation
Devdas Apte	Chairman	Additional Director (Independent)
Arun Kumar Batra	Member	Independent Director
Jayanta Kumar Basu	Member	Nominee Director

A remuneration committee was constituted by a resolution of our Board dated April 16, 2004 and, on April 28, 2014, was renamed as the Nomination and Remuneration Committee in compliance with Section 178 of the Companies Act, 2013. Thereafter, this committee was last reconstituted on July 4, 2017, in compliance with the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

(i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and carry out evaluation of every director's performance (including that of independent directors);

(ii) recommend to the Board a policy, relating to the remuneration for the directors, key management personnel and other employees.

(iii) devise a policy on diversity of the Board;

(iv) consider 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;

(v) perform such functions as are required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including administering the ESOP Schemes;

(vi) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time

(vii) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee currently comprises of:

Name	Position in the committee	Designation
Ashok Kumar Mattoo	Chairperson	Independent Director
Ravindra Kishore Sinha	Member	Chairman (Executive Director)
Amrendra Prasad Verma	Member	Independent Director

Our Stakeholders' Relationship Committee was constituted by a resolution of our Board dated July 27, 2016, in compliance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee include the following:

(i) redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;

(ii) giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(iii) overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and

(iv) carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee currently comprises of:

Name	Position in the committee	Designation
Ravindra Kishore Sinha	Member	Chairman (Executive Director)
Dr. Ajoy Kumar	Member	Independent Director
Devdas Apte	Member	Additional Director (Independent)

The CSR Committee was constituted by a resolution of our Board dated April 28, 2014 in compliance with Section 135 of the Companies Act, 2013, and was last reconstituted on July 4, 2017. The terms of reference of the CSR Committee include the following:

(i) formulate and recommend to our Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII to the Companies Act, 2013;

(ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013; and

(iii) monitor the Corporate Social Responsibility Policy of our Company from time to time.

IPO Committee

In addition to above committees, our Board has also constituted an IPO Committee pursuant to a resolution dated July 27, 2016, which currently comprises of:

Name	Position in the committee	Designation
Ravindra Kishore Sinha	Member	Chairman (Executive Director)
Uday Singh	Member	Group CEO and Whole time Director
Jayanta Kumar Basu	Member	Nominee Director

The terms of reference of the IPO Committee of our Company include the following

(i) to decide on the actual size (including any reservation for employees, employees or clients or shareholders of group companies and/or any other reservations or firm allotments as may be permitted), timing, pricing and all the terms and conditions of the IPO, including the price, and to accept any amendments, modifications, variations or alterations thereto;

(ii) to invite the existing shareholders of the Company to participate in the IPO to offer for sale Equity Shares held by them at the same price as in the IPO;

(iii) to appoint and enter into arrangements with the BRLMs, underwriters to the IPO, syndicate members to the IPO, brokers to the IPO, advisors to the IPO, escrow collection bankers to the IPO, registrars to the IPO, refunds banks to the IPO, public issue account banks to the IPO, legal counsel and any other agencies or persons or intermediaries to the IPO and to negotiate and finalise the terms of their appointment, including but not limited to execution of the BRLMs' mandate letter, negotiation, finalisation and execution of the issue agreement with the BRLMs;

(iv) to finalise, settle, execute and deliver or arrange the delivery of the registrar agreement, syndicate agreement, underwriting agreement, cash escrow agreement, share escrow agreement and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever with the registrar to the IPO, legal advisors, auditors, stock exchanges where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**"), BRLMs and any other agencies/intermediaries in connection with the IPO with the power to authorise one or more officers of the Company to negotiate, execute and deliver all or any of the aforestated documents;

(v) to finalise, settle, approve and adopt the DRHP, the RHP, the Prospectus, and the preliminary and final international wrap for the IPO together with any addenda, corrigenda or supplement thereto and take all such actions as may be necessary for filing of these documents including incorporating such alterations/ corrections/ modifications as may be required by and to submit undertaking/ certificates or provide clarifications to SEBI or any other relevant governmental and statutory authorities;

(vi) to determine and finalise the and bid opening bid closing dates (including bid opening and closing dates for Anchor Investors), price band for the IPO, the offer price for Anchor Investors, approve the basis for allocation and confirm allocation of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs, and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to, the IPO;

(vii) to issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more Stock Exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

(viii) to make applications for listing of the shares in the Stock Exchange for listing of the Equity Shares of the Company and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;

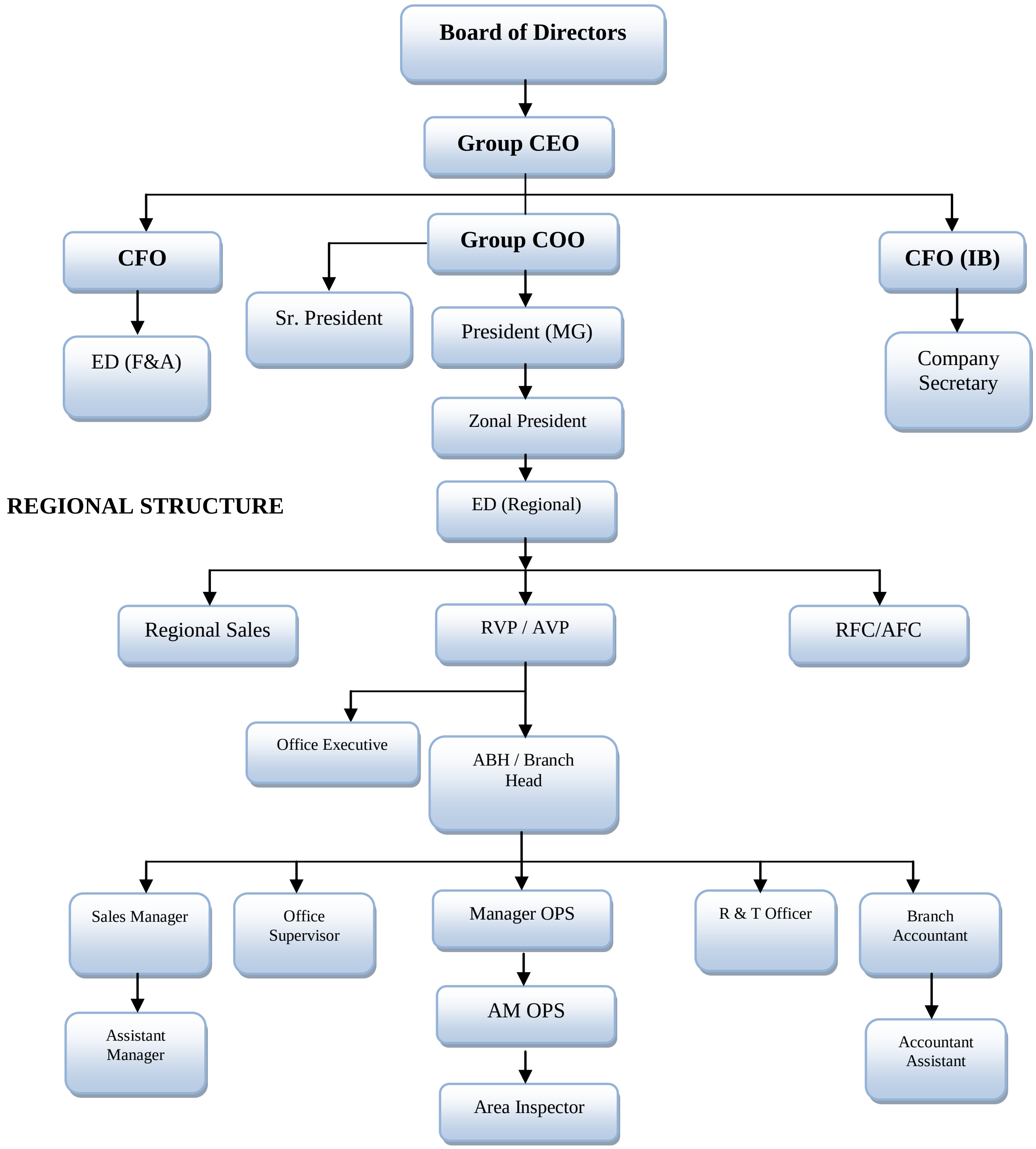
(ix) to authorise and approve the incurring of expenditure and payment of fees, commissions, remuneration and expenses in connection with the IPO;

(x) to do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in its absolute discretion, deem necessary or desirable for the IPO, in consultation with the BRLMs, including without limitation, determining the anchor investor portion and allocation to anchor investors, finalising the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with the applicable law;

(xi) to settle all questions, difficulties or doubts that may arise in regard to such issues or allotment as it may, in its absolute discretion deem fit; and

(xii) to withdraw the DRHP or the RHP or to decide not to proceed with the IPO at any stage in accordance with the SEBI ICDR Regulations and applicable laws.

Management Organisation Structure



Abbreviations		
ED: Executive Director	RVP: Regional Vice President	ABH: Assistant Branch Head
F&A: Finance and Accounts	AVP: Assistant Vice President	OPS: Operations
MG: Manned Guarding	RFC: Regional Finance Controller	R&T Officer: Recruitment & Training Officer
IB: International Business	AFC: Assistant Finance Controller	AM: Assistant Manager

Key Management Personnel

The following persons are the Key Management Personnel of our Company:

1. Ravindra Kishore Sinha, Chairman
2. Uday Singh, Group CEO and whole-time Director
3. Rituraj Kishore Sinha, Managing Director
4. Arvind Kumar Prasad, Whole-time Director and Chief Financial Officer
5. Devesh Desai, Chief Financial Officer (International Business)
6. Brajesh Kumar, Executive Director (Finance and Accounts)
7. Pushpa Latha Katkuri, Company Secretary and Compliance Officer

Ravindra Kishore Sinha, our Chairman, Rituraj Kishore Sinha, our Managing Director, Uday Singh, our Group CEO and whole-time director, Arvind Kumar Prasad, our Chief Financial Officer and whole-time Director, Devesh Desai, our Chief Financial Officer (International Business), and Pushpa Latha Katkuri, our Company Secretary and Compliance Officer are also Key Management Personnel of our Company as defined in Section 2(51) of the Companies Act, 2013.

All the Key Management Personnel are permanent employees of our Company.

Brief profiles of our Key Management Personnel

For brief profiles of Ravindra Kishore Sinha, Rituraj Kishore Sinha, Uday Singh and Arvind Kumar Prasad, see "- *Brief Profiles of our Directors*" above on page 254.

The details of our other Key Management Personnel as of the date of this Prospectus are set forth below:

Devesh Desai, aged 48 years, is the Chief Financial Officer (International Business) of our Company. He has been associated with our Company, in this capacity, since September 1, 2008. He holds a bachelors' degree in commerce from the University of Calcutta and is a member of the Institute of Chartered Accountants of India. He has over 20 years of experience in management and finance and has, in the past, held various positions with Shaw Wallace & Company Limited, Indian Electro Chemicals Limited as Manager-Finance, Praxair India Private Limited as Manager – Business Systems and Manager – Financial Planning & Analysis, Hindustan Gas and Industries Limited as Manager-Finance, Teamasia Lakhi Semiconductors Limited as Deputy General Manager – Financial Planning and IT Services, Catalytic Software Limited as Controller and Deccan Aviation Limited as Vice President and Finance Controller. He received a gross remuneration of ₹ 3.14 million in Fiscal Year 2017.

Brajesh Kumar, aged 48 years is the Executive Director (Finance and Accounts) of our Company. He has been associated with our Company since November 5, 2004. He holds a bachelor's degree in commerce from Patna University and is a fellow of the Institute of Chartered Accountants of India. He has also completed a post qualification course in 'Diploma in Information Systems Audit' conducted by the Institute of Chartered Accountants of India. He has over 21 years of experience in accountancy and has in the past held various positions with SK Nayak & Co, Chartered Accountants as Partner and PB & Co., Chartered Accountants as Proprietor. He received a gross remuneration of ₹ 3.91 million in Fiscal Year 2017.

Pushpa Latha Katkuri, aged 36 years, is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since August 22, 2016. She holds bachelor's and master's degrees in commerce from Osmania University and is an associate member of the Institute of Company Secretaries of India. She has over eight years of experience in secretarial and legal compliance and has, in the past, held various positions with Vama Industries Limited as Company Secretary and Compliance Officer and with Advanta Limited as Company Secretary. She received a gross remuneration of ₹ 1.59 million in Fiscal Year 2017.

Relationship among Key Management Personnel

Except for Ravindra Kishore Sinha and Rituraj Kishore Sinha (son of Ravindra Kishore Sinha), none of our Key

Management Personnel are related to each other.

Bonus or profit sharing plan for the Key Management Personnel

There is no profit sharing plan for the Key Management Personnel of the Company. Our Company, on a discretionary basis, makes bonus/incentive payments to the Key Management Personnel at the end of every Fiscal Year.

Shareholding of Key Management Personnel

Details of our Key Management Personnel who hold Equity Shares as on the date of this Prospectus are as follows:

Name	No. of Equity Shares	% of pre-Offer Equity Share capital
Ravindra Kishore Sinha	30,420,173	44.27
Rituraj Kishore Sinha	8,872,035	12.91
Uday Singh	612,447	0.89
Arvind Kumar Prasad	165,000	0.24
Brajesh Kumar	9,900	0.01

Except for as disclosed in "*History and Certain Corporate Matters - Shareholding of our Directors in our Subsidiaries*", our Key Management Personnel do not hold any equity shares in our Subsidiaries and Associate Companies, as on the date of this Prospectus.

Service Contracts with Key Management Personnel

Except for terms set forth in the appointment letters, our Key Management Personnel have not entered into any other contractual arrangements with our Company or our Subsidiaries, as the case may be. Our Company has not entered into any service contracts, pursuant to which its Key Management Personnel, are entitled to benefits upon termination of employment.

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company, including Directors or Key Management Personnel, is entitled to any benefit upon termination of employment or superannuation.

Interest of Key Management Personnel

None of our Key Management Personnel have any interest in our Company except to the extent of rent received from certain properties leased to our Company, their shareholding in our Company and certain Subsidiaries, remuneration from our Company and certain Subsidiaries, benefits and reimbursement of expenses incurred by them in the ordinary course of business and of stock options that may be granted to them from time to time under ESOP Schemes.

No loans have been availed by the Key Management Personnel from our Company.

Contingent and deferred compensation payable to Key Management Personnel

Except as stated in "- *Remuneration Details of our Directors*" on page 256, there is no contingent or deferred compensation payable to our Key Management Personnel which does not form part of their remuneration.

Changes in Key Management Personnel during the last three years

Changes in our Key Management Personnel during the three years immediately preceding the date of this Prospectus set forth below.

Name	Date of change	Reason
Arvind Kumar Prasad	April 24, 2017	Appointment as whole-time Director*
Rituraj Kishore Sinha	April 24, 2017	Appointment as Managing Director**
Ravindra Kishore Sinha	April 24, 2017	Resignation as Managing Director***
Pushpa Latha Katkuri	August 22, 2016	Appointment as Company Secretary
Sanjivakumar Jaikumar Kaddu	August 22, 2016	Resignation as Company Secretary

* *Pursuant to a resolution of the Board dated April 24, 2017 and a resolution of the shareholders dated May 31, 2017, Arvind Kumar Prasad, the Chief Financial Officer of our Company was also appointed as a whole-time Director (designated as Director – Finance) of our Company.*
** *Pursuant to a resolution of the Board dated April 24, 2017 and a resolution of the shareholders dated May 31, 2017, Rituraj Kishore Sinha, the then Group Chief Operating Officer of our Company, was appointed as the Managing Director of the Company.*
*** *Pursuant to a resolution of the Board dated April 24, 2017 and a resolution of the shareholders dated May 31, 2017, Ravindra Kumar Sinha resigned from the position of the Managing Director of the Company. He, however, continues to serve on the Board as the Chairman of the Company.*

Employee stock option and stock purchase schemes

For details of the ESOP Schemes, see "*Capital Structure – Employee Stock Option Schemes*" on page 118.

Payment of non-salary related benefits to officers of our Company

Except for ESOPs, no amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Prospectus or is intended to be paid, other than in the ordinary course of their employment.

Arrangements and understanding with major shareholders, customers, suppliers or others

Except for our Nominee Director, Jayanta Kumar Basu, nominated pursuant to the terms of the Investment Agreement, none of our Directors or Key Management Personnel have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For details of the shareholders' agreement pursuant to which Jayanta Kumar Basu was appointed on our Board, see "*History and Certain Corporate Matters – Material Agreements*" on page 218.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are:

1. Ravindra Kishore Sinha; and
2. Rituraj Kishore Sinha.

For details of the build-up of our Promoters' shareholding in our Company, see "*Capital Structure – Notes to Capital Structure*" on page 100.

The details of our Promoters are as follows:

Ravindra Kishore Sinha

Identification Particulars	Details
Voter ID Number	RAB0546127
Driving License Number	Nil*
Address	702, Ridgewood Tower, Omaxe Forest, Sector-92, Noida-201 301, Uttar Pradesh, India

Ravindra Kishore Sinha, aged 65 years, is the Chairman of our Company. For further details, see "*Our Management*" on page 251.

* *Ravindra Kishore Sinha does not have a driving license.*

Rituraj Kishore Sinha

Identification Particulars	Details
Voter ID Number	RAB0552901
Driving License Number	1613003179/1/3/13
Address	702, Ridgewood Tower, Omaxe Forest, Sector-92, Noida-201 301, Uttar Pradesh, India

Rituraj Kishore Sinha, aged 36 years, is our Managing Director. For further details, see "*Our Management*" on page 251.

The details of the PAN, bank account numbers and passport numbers of our Promoters were submitted with the Stock Exchanges at the time of submission of the Draft Red Herring Prospectus.

Interest of Promoters

Interest of Promoters in the Promotion of our Company

Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, remuneration and employment related benefits paid by our Company. For further details, see *"Capital Structure"* and *"Our Management"* on pages 100 and 251, respectively.

Interest of Promoters in the Property of our Company

Our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus or which is proposed to be acquired by our Company or in any transaction for acquisition of land, construction of buildings and supply of machinery etc. However, our Promoters have leased certain of their properties to our Company as guest houses or branch offices to our Company. Rituraj Kishore Sinha is also a director of Sunrays Overseas and Vardan Overseas, the lessor of our Corporate Office. For details, see "*Annexure XXX, Note 17 of the Restated Standalone Financial Statements", "Annexure XXXII, Note 19 of the Restated Consolidated Financial Statements"* and "*History and Certain Corporate Matters - Subsidiaries of our Company*" on pages 343, 412 and 225, respectively.

Interest of Promoters in our Company other than as Promoters

Ravindra Kishore Sinha, one of our Promoters has guaranteed working capital facilities (cash credit and bank guarantee) availed by our Company availed by our Company from the State Bank of India amounting to ₹ 850 million of which as on May 31, 2017, ₹ 375.29 million is outstanding. For details see "*History and Certain Corporate Matters - Guarantees given by the Promoter Selling Shareholders*" on page 249.

Except as stated in this section and "*Our Management*", *"Annexure XXX, Note 17 of the Restated Standalone Financial Statements" and "Annexure XXXII, Note 19 of the Restated Consolidated Financial Statements"* on pages 251, 343 and 412, respectively, our Promoters do not have any interest in our Company other than as promoters.

Common Pursuits of our Promoters

Except Superb Intelligence and Security Private Limited, one of the members of our Promoters Group (wherein Ravindra Kishore Sinha holds 39% of the share capital), which is currently not engaged in any business activity, though it is authorised by its memorandum of association to carry on business activities which are similar to that of our Company, our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company.

Payment of amounts or benefits to our Promoters or Promoter Group during the last two years

Except for transactions disclosed in this sub-section, above in "– *Interest of Promoters*" on page 270, remuneration received by Promoters from certain of our Subsidiaries, dividends received by members of our Promoter Group and amounts received by Rita Kishore Sinha in her capacity as a Director, no amount or benefit has been paid by our Company to our Promoters or the members of our Promoter Group in the two years preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus. For details see *"Annexure XXX, Note 17 of the Restated Standalone Financial Statements" and "Annexure XXXII, Note 19 of the Restated Consolidated Financial Statements"* on pages 343 and 412 respectively.

Related Party Transactions

Except as stated in *"Annexure XXX, Note 17 of the Restated Standalone Financial Statements" and "Annexure XXXII, Note 19 of the Restated Consolidated Financial Statements"* on pages 343 and 412 respectively, our Company has not entered into any related party transactions with our Promoters during the five fiscal years preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus.

Confirmations

Our Company has not made any payments in cash or shares or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company.

The control of our Company has remained with our Promoters for the five years immediately preceding the date of the Draft Red Herring Prospectus and until the date of this Prospectus.

None of our sundry debtors are related to our Promoters in any manner.

Disassociation by Promoters in the Last Three Years

Our Promoters have not disassociated themselves from any venture during the three years preceding the date of filing of the Draft Red Herring Prospectus and until the date of this Prospectus.

Promoter Group

(a) Natural Persons

The natural persons who are part of our Promoter Group (being the immediate relatives of our Promoters), apart from our Promoters mentioned above, are as follows:

S. No.	Name	Relation with Promoters
1.	Rita Kishore Sinha	Spouse of Ravindra Kishore Sinha and mother of Rituraj Kishore Sinha
2.	Shivendra Kishore Sinha	Brother of Ravindra Kishore Sinha
3.	Dr. Satyendra Kishore	Brother of Ravindra Kishore Sinha
4.	Kanti Sinha	Sister of Ravindra Kishore Sinha
5.	Geeta Prasad	Sister of Ravindra Kishore Sinha
6.	Sunita Srivastava	Sister of Ravindra Kishore Sinha
7.	Kaushlya Devi	Mother-in-law of Ravindra Kishore Sinha
8.	Vikash Kishore Prasad	Brother-in-law of Ravindra Kishore Sinha
9.	Pratima Prasad	Sister-in-law of Ravindra Kishore Sinha
10.	Sarita Prasad	Sister-in-law of Ravindra Kishore Sinha
11.	Sumi Prasad	Sister-in-law of Ravindra Kishore Sinha
12.	Rivoli Sinha Aggarwal	Daughter of Ravindra Kishore Sinha and sister of Rituraj Kishore Sinha
13.	Pallavi Khanna	Spouse of Rituraj Kishore Sinha
14.	Aadya Sinha	Daughter of Rituraj Kishore Sinha
15.	Amaira Sinha	Daughter of Rituraj Kishore Sinha
16.	Ahaan Raj Sinha	Son of Rituraj Kishore Sinha
17.	Vishan Narain Khanna	Father-in-law of Rituraj Kishore Sinha
18.	Varsha Khanna	Mother-in-law of Rituraj Kishore Sinha
19.	Shivani Khanna	Sister-in-law of Rituraj Kishore Sinha
20.	Maansi Khanna	Sister-in-law of Rituraj Kishore Sinha

(b) Companies and entities

In addition to our Subsidiaries, as listed in "*History and Certain Corporate Matters – Subsidiaries of our Company*" on page 225, the companies and entities that form part of our Promoter Group are as follows:

S. No.	Name of Promoter Group Entity
Companies	
1.	Vocational Skills Council India Private Limited
2.	Security Skills Council (India) Limited
3.	Ritu Raj Resorts Limited
4.	Saksham Bharat Skills Limited
5.	SIS Group Enterprises Limited
6.	SIS Asset Management Private Limited (formerly known as Tech SIS Access Management System Private Limited)
7.	Kaya Kalp Drugless Healing Private Limited
8.	Superb Intelligence and Security Private Limited
9.	Adi Chitragupta Finance Limited
10.	NurtureU Enterprise Private Limited
11.	Dreamcatcher Events Private Limited
12.	SIS Cash Services Private Limited
13.	Maha Manav Mritunjay Institute of Yoga & Alternative Medicine Limited
14.	Mritunjay Educational Foundation Limited

S. No.	Name of Promoter Group Entity
15.	3DClubhouse Private Limited
16.	HS Media & Publications
17.	Vital Call Private Limited
Trusts	
18.	RKS JV Trust

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group, see "*Capital Structure – Notes to Capital Structure - Shareholding of our Promoters and the members of our Promoter Group*" on page 112.

Guarantees

Except as stated in "*History and Certain Corporate Matters – Guarantees given by the Promoter Selling Shareholders*" on page 249, our Promoters have not given any guarantee to a third party as of the date of this Prospectus.

Other Confirmations

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Our Promoters, relatives of our Promoters and members of our 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' as defined under the SEBI ICDR Regulations.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, for the purpose of identification of 'group companies', our Company considered companies covered under applicable accounting standards (*i.e.*, Accounting Standard 18 issued by the Institute of Chartered Accountants of India) as per the Restated Financial Statements or other companies as considered material by our Board. Pursuant to a resolution of our Board dated September 12, 2016 for the purpose of disclosure in the Offer Documents, a company shall be considered material if: (i) such company forms part of the Promoter Group and the Company has entered into one or more transactions with such company individually or cumulatively exceeding 10% of the total standalone or consolidated revenue of our Company, whichever is lower, in each of the last five years (including any stub period in respect of which, financial statements are included in this Prospectus, such period collectively referred to as the "**Relevant Period**"); (ii) companies which, subsequent to the Relevant Period, would require disclosure in the consolidated financial statements of the Company for subsequent periods as entities covered under the applicable accounting standards, in addition to/ other than those companies covered under included in the schedule of related party relationships in terms of Accounting Standard 18 in the consolidated audited financial statements of the Company for the Relevant Period.

For avoidance of doubt, it is clarified that (i) our Subsidiaries; (ii) any companies which, subsequent to the Relevant Period, have ceased to be related parties of the Company in terms of Accounting Standard 18 solely on account of there being no significant influence/ control over such company in terms of Accounting Standard 18 after the Relevant Period have not been considered as 'Group Companies', for the purpose of disclosure in this Prospectus.

Based on the foregoing, our Group Companies are as follows:

(i) SIS Cash Services Private Limited
(ii) SIS Prosegur Holdings Private Limited
(iii) SIS Group Enterprises Limited
(iv) Security Skills Council India Limited
(v) SIS Prosegur Alarms and Monitoring Response Services Private Limited
(vi) SIS Prosegur Cash Logistics Private Limited
(vii) Vocational Skills Council India Private Limited
(viii) Saksham Bharat Skills Limited
(ix) Superb Intelligence Services Private Limited
(x) Ritu Raj Resorts Limited
(xi) Mritunjay Educational Foundation Limited
(xii) Maha Manav Mritunjay Institute of Yoga & Alternative Medicine Limited
(xiii) SIS Asset Management Private Limited (formerly known as Tech SIS Access Management System Private Limited)

The details of our Group Companies are provided below.

Top five Group Companies (based on turnover):

(i) SIS Cash Services Private Limited

Corporate Information

SIS Cash was incorporated as a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the RoC on September 27, 2011 at Patna. The main objects of SIS Cash, according to its memorandum of association are, *inter alia*, to carry on the business of conducting cash management services and allied services, including but not limited to, transport of valuables, cash in its different ways and denominations, foreign currency, jewellery, precious metals and stones, bullion, credit and debit cards, purse and every sort of card holding a monetary value upper to the manufacturing cost, telephone cards, cheques, travellers cheques, lottery and gambling tickets, prepaid tickets holding a monetary value upper to the manufacturing cost and any and all kinds of things of value. It is currently engaged in the services relating to cash-in-transit, ATM cash replenishment activities, door step banking and secure transportation of precious item and bullion.

Interest of the Promoter

Except to the interest of their directorships our Promoters have no other interest in SIS Cash.

Financial Information

The following information has been derived from the audited financial statements of SIS Cash for the last three audited Fiscal Years:

(₹ *in million*)

Particulars	For the Financial Year		
	2017	2016	2015
Equity Capital	198.14	198.14	195.49
Reserves and surplus (excluding revaluation reserves)	1,276.31	1,341.01	1,402.22
Sales/Turnover	1,877.96	1,785.96	1,510.84
Profit/(Loss) after Tax	(64.70)	(126.56)	(51.60)
Basic EPS (in ₹)	(3.27)	(6.40)	(3.09)
Diluted EPS (in ₹)	(3.27)	(6.40)	(3.09)
Net asset value per share (in ₹)	74.53	77.68	81.73

Except as stated below, there are no significant notes of the auditors in relation to the aforementioned financial statements:

(i) **Fiscal 2016:** *"Without qualifying our opinion, we draw attention to "Note 7 under Note 22 - "Other Notes to Accounts" in respect of a change in treatment of gratuity and leave benefits."*

In terms of the Companies (Auditor's Report) Orders: Paragraph 7(a): "*Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.*"

(ii) **Fiscal 2017:** "*Without qualifying our opinion, we draw attention to "Note 7 under Note 25 - "Other Notes to Accounts" in respect of a change in treatment of gratuity and leave benefits*."

"Till March 31, 2015, Company was providing for gratuity and leave benefits on actual basis. In the current year, the Company has applied Accounting Standard 15 (Revised). Accordingly, the Company has changed the basis of providing gratuity and leave benefits, resulting in estimated liability of as at April 1, 2015 being higher by ₹9,574 and ₹2,241 respectively. During the year ended March 31, 2016, the Company has, therefore, accrued and provided for, and created a liability for, an amount of ₹18,510 towards gratuity and an amount of ₹2,590 towards leave as at March 31, 2016. Thus, the effective charge for the year ended March 31, 2016 towards the liabilities for gratuity and leave is ₹8,936 and ₹349 respectively."

(ii) SIS Prosegur Holdings Private Limited

Corporate Information

SIS Prosegur was incorporated as a private limited company under the Companies Act, 2013, with a certificate of incorporation issued by the RoC on July 21, 2014 at Patna. The main objects of SIS Prosegur, according to its memorandum of association are, *inter alia*, to carry on the business of conducting cash management services and allied services, including but not limited to, transport of valuables, cash in its different ways and denominations, foreign currency, jewellery, precious metals and stones, bullion, credit and debit cards, purse and every sort of card holding a monetary value upper to the manufacturing cost, telephone cards, cheques, travellers cheques, lottery and gambling tickets, prepaid tickets holding a monetary value upper to the manufacturing cost and any and all kinds of things of value. It is currently engaged in services relating to cash-in-transit, ATM cash replenishment activities, door step banking and secure transportation of precious items and bullion.

Interest of the Promoter

Except to the interest of their directorships our Promoters have no other interest in SIS Prosegur.

Financial Information

The following information has been derived from the audited financial statements of SIS Prosegur for the last audited Financial Years:

(₹ *in million*)

Particulars	For the Financial Year		
	2017	**2016**	**2015**
Equity Capital	90.10	90.10	90.10
Reserves and surplus (excluding revaluation reserves)	656.90	698.89	777.82
Sales/Turnover	1,506.44	1349.74	509.74
Profit/(Loss) after Tax	(41.98)	(78.94)	(32.18)
Basic EPS (in ₹)	(4.66)	(8.76)	(11.25)
Diluted EPS (in ₹)	(4.66)	(8.76)	(11.25)
Net asset value per share (in ₹)	82.90	(87.57)	96.33

Except as stated below, there are no significant notes of the auditors in relation to the aforementioned financial statements:

(i) **Fiscal 2016**: "*Without qualifying our opinion, we draw attention to "Note 4 under Note 23 - "Other Notes to Accounts" in respect of a change in treatment of gratuity and leave benefits."*

"*In terms of the Companies (Auditor's Report) Orders: Paragraph 7(a): "Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.*"

(ii) **Fiscal 2017:** "*Without qualifying our opinion, we draw attention to "Note 5 under Note 24 - "Other Notes to Accounts" in respect of a change in treatment of gratuity and leave benefits*."

"*Till March 31, 2015, Company was providing for gratuity and leave benefits on actual basis. In the current year, the Company has applied Accounting Standard 15 (Revised). Accordingly, the Company has changed the basis of providing gratuity and leave benefits, resulting in estimated liability of as at April 1, 2015 being higher by ₹48,064 and ₹376 respectively. During the year ended March 31, 2016, the Company has, therefore, accrued and provided for, and created a liability for, an amount of ₹57,674 towards gratuity and an amount of ₹875 towards leave as at March 31, 2016. Thus, the effective charge for the year ended March 31, 2016 towards the liabilities for gratuity and leave is ₹9,610 and ₹499 respectively*."

(iii) SIS Group Enterprises Limited

Corporate Information

SIS Group Enterprises was incorporated as a limited company under the Companies Act, 2013, with a certificate of incorporation issued by the RoC on July 31, 2014 at Patna. The main objects of SIS Group Enterprises, according to its memorandum of association are, *inter alia*, to carry on the business of weavers or otherwise manufacturers, buyers, sellers, importers, exporters and dealers of silk, art silk, synthetic, woollen and cotton fabrics and other fibrous products including dressing and furnishing materials, uniforms, readymade garments, blankets padding knitted goods, woven bags, hosiery gloves, yarn and sewing thread and to carry on the business of packing, grading, crimping, twisting, texturing, bleaching dyeing, printing, mercerizing or otherwise processing yarn, cloth, blankets and other textile goods, whether made from cotton, jute, wool, silk, art silk, synthetic and other fibres or blends thereof , to lease out immovable property and to do all such incidental acts and things necessary for the attainment of above objects. It is currently engaged in the business of trading of uniforms other fibrous products including dressing and furnishing materials and other security kit items and is also engaged in business of leasing out immovable property for rental income.

Interest of the Promoter

Except to the extent of their shareholding and directorships, our Promoters do not have any other interest in SIS Group Enterprises.

Financial Information

The following information has been derived from the audited financial statements of SIS Group Enterprises for the last audited Financial Years:

(₹ *in million*)

Particulars	For the Financial Year	
	2016	2015
Equity Capital	0.50	0.50
Reserves and surplus (excluding revaluation reserves)	(0.32)	0.02
Sales/Turnover	170.35	-
Profit/(Loss) after Tax	(0.35)	0.02
Basic EPS (in ₹)	(6.90)	0.45
Diluted EPS (in ₹)	(6.90)	0.45
Net asset value per share (in ₹)	3.56	10.45

There are no significant notes of the auditors in relation to the aforementioned financial statements.

(iv) Security Skills Council (India) Limited

Corporate Information

Security Skills Council was incorporated as Security Skills Council Private Limited, a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the RoC on June 27, 2007 at Patna. Subsequently, the name of the company was changed to Security Skills Council (India) Private Limited pursuant to a special resolution of its shareholders dated July 22, 2008 and a fresh certificate of incorporation issued by the RoC on July 31, 2008. Subsequently, the name of the company was changed to Security Skills Council (India) Limited pursuant to a special resolution of its shareholders dated February 15, 2010 and a fresh certificate of incorporation issued by the RoC on March 25, 2010.

The main objects of Security Skills Council, according to its memorandum of association are, *inter alia*, to carry on the business of development of qualifications and standards in security, safety, fire, disaster management and other related areas and of certifying successful training to individuals, who undertake training to be qualified to work in all areas of security and investigation and certifying organizations, societies, institutes or companies that impart training of personnel in the fields of Security and investigation. It is currently engaged in carrying out various training program to develop Skills in security, safety, fire, disaster management and other related areas to provide employment opportunity to youth.

Interest of the Promoter

Except to the extent of: (i) directorship of Ravindra Kishore Sinha; and (ii) their shareholding our Promoters do not have any interest in Security Skills Council.

Financial Information

The following information has been derived from the audited financial statements of Security Skills Council for the last three audited Financial Years:

(₹ *in million*)

Particulars	For the Financial Year		
	2016	2015	2014
Equity Capital	0.50	0.50	0.50
Reserves and surplus (excluding revaluation reserves)	(5.79)	(9.72)	(2.60)
Sales/Turnover	26.22	32.63	23.88
Profit/(Loss) after Tax	3.93	(7.08)	(5.36)
Basic EPS (in ₹)	78.53	(141.76)	(107.13)
Diluted EPS (in ₹)	78.53	(141.76)	(107.13)
Net asset value per share (in ₹)	(105.86)	(184.39)	(42.02)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

(v) SIS Prosegur Alarm Monitoring and Response Services Private Limited

Corporate Information

SIS Alarms was incorporated a private limited company under the Companies Act, 2013, with a certificate of incorporation issued by the RoC on July 17, 2015 at Patna. The main objects of SIS Alarms, according to its memorandum of association are, *inter alia*, to carry on the business of providing alarm monitoring response services and of all services related thereto and in furtherance of these services. It is currently engaged in the business of providing alarm monitoring and response services covering installation, monitoring and emergency response in relation to fire alarm systems, fire suppression systems, intruder and burglar alarms, medical and personal emergency systems and perimeter protection system.

Interest of the Promoter

Except Rituraj Kishore Sinha who is interested to the extent of his directorship, our Promoters do not have any other interest in SIS Alarms.

Financial Information

The following information has been derived from the audited financial statements of SIS Alarms for the last two audited Financial Years:

(₹ *in million*)

Particulars	For the Financial Year	
	2017	2016
Equity Capital	220	220
Reserves and surplus (excluding revaluation reserves)	(67.98)	(14.39)
Sales/Turnover	14.17	-
Profit/(Loss) after Tax	(53.59)	(14.39)
Basic EPS (in ₹)	(2.44)	(4.13)
Diluted EPS (in ₹)	(2.44)	(4.13)
Net asset value per share (in ₹)	6.90	9.35

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Other Group Companies

The details of the rest of our Group Companies are as follows:

(i) Saksham Bharat Skills Limited

Corporate Information

Saksham Bharat Skills was incorporated as a public limited company under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies Uttar Pradesh & Uttrakhand on March 24, 2011 at Kanpur. Subsequently, the registered office of Saksham Bharat Skills was changed to Annapoorna Bhawan Telephone Exchange Road, Kurji, Patna 800 010 pursuant to a special resolution of its shareholders dated August 16, 2011 and certificate of registration of regional director for change of registered office was issued on September 3, 2013. The main objects of Saksham Bharat Skills, according to its memorandum of association are, *inter alia*, to carry on the business of skills development training to individuals to enhance employability through training in such modular training courses, which open routes of progression in multiple sectors and organisations both government and private. Where there is requirement of such trained manpower and to engage in the activities of development of such courses, qualification, content and standards benchmarked to industry requirements in such multiple sectors and organisations both government and private and to organize training and awarding certificates to the successful individuals who undertake skills development training in areas mentioned above. It is currently not engaged in the business operations.

Interest of the Promoter

Except to the extent of: (i) directorship of Ravindra Kishore Sinha; and (ii) their shareholding our Promoters do not have any interest in Saksham Bharat Skills.

Financial Information

The following information has been derived from the audited financial statements of Security Skills Council for the last three audited Financial Years:

(₹ *in million*)

Particulars	For the Financial Year		
	2016	2015	2014
Equity Capital	0.5	0.5	0.5
Reserves and surplus (excluding revaluation reserves)	(15.03)	(13.99)	(13.22)
Sales/Turnover	0.00	0.27	0.49
Profit/(Loss) after Tax	(1.03)	(0.77)	(1.81)
Basic EPS (in ₹)	(20.55)	(15.32)	36.26
Diluted EPS (in ₹)	(20.55)	(15.32)	36.26
Net asset value per share (in ₹)	(290.51)	(269.73)	(254.41)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

(ii) Vocational Skills Council India Private Limited

Corporate Information

Vocational Skills Council India Private Limited was incorporated as Security Skills (India) Private Limited, a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the RoC on June 27, 2007 at Patna. Subsequently, the name of the company was changed to Vocational Skills Council Private Limited pursuant to a special resolution of its shareholders dated June 9, 2008 and a fresh certificate of incorporation issued by the RoC on July 21, 2008. Thereafter, the name of the company was changed to Vocational Skills Council India Private Limited pursuant to a special resolution of its shareholders dated November 3, 2011 and a fresh certificate of incorporation issued by the RoC on November 21, 2011. The main objects of Vocational Skills Council, according to its memorandum of association are, *inter alia*, carry on the business of providing recruitment, training in the fields of security, investigation, fire management & safety disaster management to men and women and provide services as consultant and otherwise to companies organization, societies and Institutes for appointing and hiring the trained personnel. It is currently not engaged in any business.

Interest of the Promoter

Except to the extent of directorship and shareholding of Ravindra Kishore Sinha our Promoters do not have any interest in Vocational Skills Council.

(iii) SIS Prosegur Cash Logistics Private Limited

Corporate Information

SIS Prosegur Cash Logistics was incorporated as a private limited company under the Companies Act, 2013, with a certificate of incorporation issued by the RoC on June 2, 2015 at Patna.The main objects of SIS Prosegur Cash Logistics, according to its memorandum of association are, *inter alia*, to carry on the business of conducting cash management services and allied services, including but not limited to, transport of valuables, cash in its different ways and denominations, foreign currency, jewellery, precious metals and stones, bullion, credit and debit cards, purse and every sort of card holding a monetary value upper to the manufacturing cost, telephone cards, cheques, travellers cheques, lottery and gambling tickets, prepaid tickets holding a monetary value upper to the manufacturing cost and any and all kinds of things of value. It is currently not engaged in any business operations.

Interest of the Promoter

Except to the interest of their directorships, our Promoters do not have any other interest in SIS Prosegur Cash Logistics.

(iv) Superb Intelligence Services Private Limited

Corporate Information

Superb Intelligence was incorporated as a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana on October 24, 1997. The main objects of Superb Intelligence Services is *inter alia*, to arrange, and deploy, security staff for personal and Industrial security purposes and to do and act as security consultants, investigators, advisors on security and personnel matters within the state of Bihar of elsewhere within India. To carry on the business of Industrial security consultants, advisors, agents, detective agents and develop and establish, security training centres, schools, colleges and other facilities center for the security staff officers, and jawans within the state of Bihar or elsewhere. To deal with arms & ammunitions, clothes and other goods which are necessary and required for the industrial and other security purpose within the state of Bihar and anywhere in India or elsewhere subject to Arms and Ammunition Act. To assist in the matter of recruitment of personnel and give guidance in the assessment of the personnel and on behalf of any person, firm, company or institution, corporation or government bodies within India. To carry on the business as exporters, transferors and carriers of securities, documents, valuables, cash and important papers, pockets, sealed covers, valuable materials and things affording information with proof of evidence as to the delivery of said articles and things and to furnish documents and instruments and to support or proof by evidence and to protect from espionage and carelessness and to delivery any of the above articles, things goods, commodities etc. from the one place to other security and certainty. Superb Intelligence is presently not engaged in any business.

Interest of the Promoter

Except to the extent of shareholding of Ravindra Kishore Sinha, our Promoters do not have any interest in Superb Intelligence.

(v) Ritu Raj Resorts Limited

Corporate Information

Ritu Raj Resorts was incorporated on April 13, 1992 with a certificate of incorporation issued by the RoC. The main objects of Ritu Raj Resorts Limited is *inter alia* to purchase, take on lease, rent or otherwise acquire any land, building or premises and to turn into account, develop, improve, alter, demolish or let out for the purpose carrying on the business of hotel, restaurants, holiday resorts, travellers lodges, coffee taverns, lodgings, house-keeper, holiday home spirit and liquor merchants, hair dressers, chemists, suna baths, water sports club, in any manner as may be beneficial to the Company as proprietor, partner, agent, contractor, consultant within India and abroad. Ritu Raj Resorts is currently engaged in the business of providing catering services.

Interest of the Promoter

Except to the extent of the shareholding of our Promoters and directorship of Ravindra Kishore Sinha, our Promoters do not have any interest in Ritu Raj Resorts.

(vi) Mritunjay Educational Foundation Limited

Corporate Information

Mritunjay Educational was incorporated under the Companies Act, 1956, with a certificate of incorporation issued by the RoC on November 6, 2000 at Patna. The main objects of Mritunjay Educational is *inter alia* to carry on in India or elsewhere the business to set up and construct buildings and other facilities for schools, colleges for engineering, medicine, dental, arts and commerce, medical centres for training of medical and para medical staff, management institutions, computer and information technology centres, and institutions for cultural and non-cultural activity training, music rooms, dance rooms, dance halls, gurukuls, asharams, cyber cafes, playrooms, playgrounds, science centres, automobile centres, training centres of all types and organisations and to let out the same on hire or on lease to societies, trusts, or any other type of organization with a view to promote any of these form of education. Mritunjay Educational is currently not engaged in any business activity.

Interest of the Promoter

Except to the extent of the shareholding of Ravindra Kishore Sinha, our Promoters do not have any interest in Mritunjay Educational.

(vii) Maha Manav Mritunjay Institute of Yoga & Alternative Medicine Limited

Corporate Information

Maha Manav was incorporated as limited company under the Companies Act, 1956, with a certificate of incorporation issued by the RoC on July 14, 2000 at Patna. The main objects of Maha Manav, is *inter alia* to carry on in India or elsewhere the business to establish, run, manage, construct, build, take on hire or lease, maintain, organize, promote, provide, acquire, buy, sell, convert, develop, erect, and to handle, health centres, yoga centres, immunization centres, massage houses, beauty saloons, clinics, maternity & family planning units, gymnasiums, swimming pools, hospitals, blood banks, poly clinics, natural cure centres ayurvedic, unani, cure centre and hospital. Sona & steam bath, nursing homes, pathological laboratories, sports clubs, diagnostic centres, medical and other educational and research centers, and to do all incidental things necessary for the attainment of foregoing objects. Maha Manav is presently engaged in the business of running yoga institutes.

Interest of the Promoter

Except to the extent of the shareholding of Ravindra Kishore Sinha, our Promoters do not have any interest in Maha Manav.

Financial Information

The following information has been derived from the audited financial statements of Maha Manav for the last three audited Financial Years:

Particulars	**For the Financial Year**		
	2016	**2015**	**2014**
Equity Capital	0.50	0.50	0.50
Reserves and surplus (excluding revaluation reserves)	(5.94)	(4.81)	(3.64)
Sales/Turnover	0.42	0.45	0.52
Profit/(Loss) after Tax	(1.13)	(1.16)	(1.44)
Basic EPS (in ₹)	(22.61)	(23.24)	(28.83)
Diluted EPS (in ₹)	(22.61)	(23.24)	(28.83)
Net asset value per share (in ₹)	(108.71)	(86.10)	(62.86)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

(viii) SIS Asset Management Private Limited (formerly known as Tech SIS Access Management System Private Limited):

SIS Asset Management Private Limited was incorporated as a private limited company under the Companies Act, 1956 with a certificate of incorporation issued by the RoC on January 27, 2014 at Patna, Bihar.

The main objects of SIS Asset Management Private Limited are to *inter alia* to engage in the commercial activities for development and trading of security software as identity and access management for security control for organisations including banks and providing maintenance and support services of running software including maintaining hardware devices required for running such security system. SIS Asset Management Private Limited is currently not engaged in any business operations.

Interest of the Promoter

Except to the extent of shareholding of Ravindra Kishore Sinha, our Promoters do not have any interest in SIS Asset Management Private Limited.

Interest of Group Companies in our Company

(a) ***Business interests***

Except to the extent of the shareholding of Vocational Skills in our Company, none of our Group Companies have any interest in the promotion or any business interest or other interests in our Company. For further details in relation to the shareholding of our Group Companies in our Company, refer to "*Capital Structure*" on page 100.

(b) ***In the properties acquired or proposed to be acquired by our Company in the past two years preceding the filing of the Draft Red Herring Prospectus with SEBI and until the date of this Prospectus***

None of our Group Companies are 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 with SEBI and until the date of this Prospectus. However, SIS Group Enterprises, one of our Group Companies is the owner of the administrative office of our Company for which it earned rental income for the Fiscal Years 2015, 2016 and 2017.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits amongst the Group Companies with our Company

Except for Saksham Bharat, Vocational Skills and Security Skills Council which are also engaged in providing training services, there are no common pursuits between any of our Group Companies and our Company.

Related Business Transactions within the Group Companies and significance on the financial performance of our Company

See "*Annexure XXX, Note 17, Restated Standalone Financial Statements"* and *"Annexure XXXII, Note 19, Restated Consolidated Financial Statements* "on pages 343 and 412, respectively.

Sale/Purchase between Group Companies and our Company

None of our Group Companies is involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Defunct Group Companies

None of our Group Companies are defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of the Draft Red Herring Prospectus with SEBI and until the date of this Prospectus.

Sick Group Companies

None of our Group Companies fall under the definition of sick industrial companies under Sick Industrial Companies (Special Provisions) Act, 1985, or declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Further no winding up, insolvency or bankruptcy proceedings have been initiated against them.

Loss making Group Companies

Except SIS Cash, SIS Group Enterprises, SIS Prosegur, SIS Alarms, SIS Prosegur Cash Logistics, Saksham Bharat Skills, Superb Intelligence, Ritu Raj Resorts, Mritunjay Educational, Maha Manav and SIS Asset Management Private Limited none of our Group Companies have incurred losses in their last preceding audited Fiscal Year. See "*Risk Factors –Some of our Subsidiaries and Group Companies have incurred losses during recent fiscal periods.*" on page 52.

Other confirmations

None of the Group Companies are listed or have failed to list on any stock exchange in any recognised stock exchange in India or abroad or have made any public or rights issue of securities in preceding three years.

Except for Security Skills Council, Maha Manav and Saksham Bharat Skills, none of the Group Companies have negative net worth.

None of the Group Companies have been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

None of the Group Companies have been identified as wilful defaulters as defined in the SEBI ICDR Regulations.

None of the Group Companies have committed any violations of securities laws in the past and no proceeding pertaining to such penalties are pending against them.

RELATED PARTY TRANSACTIONS

For details of the related party disclosures, as per the requirements under Accounting Standard 18 '*Related Party Disclosures*' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act and as reported in "*Annexure XXX, Note 17, Restated Standalone Financial Statements"* and *"Annexure XXXII, Note 19, Restated Consolidated Financial Statements* "on pages 343 and 412, 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 fiscal year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see "*Financial Indebtedness*" on page 464.

The dividends declared by our Company on the Equity Shares in each of the Fiscal Years 2013, 2014, 2015, 2016 and 2017, as per our Restated Standalone Financial Statements are given below:

Particulars	Fiscal Years				
	2013	2014	2015	2016	2017
Face value per share (in ₹)	10	10	10	10	10
Dividend (in ₹ million)	103.97	216.98	160.55	270.41	-
Dividend per share (in ₹)	19.5	35.2	26	43.60	-
Rate of dividend (%)	195.06	351.38	260.00	436.14	-
Dividend Tax (%)	16.87	9.11	-	39.32	-

Additionally, in Fiscal Year 2013, we have paid dividends amounting to ₹ 32,000 on 1,600,000 CCPS of face value of ₹ 100 each, issued by us (at 0.01%, in accordance with the terms and conditions of the CCPS).

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amounts, if any, in the future. For details in relation to the risk involved, see "*Risk Factors*" on page 20.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Independent Auditors' report on the restated standalone financial information of Security and Intelligence Services (India) Limited

The Board of Directors
Security and Intelligence Services (India) Limited
Annapoorna Bhawan
Patliputra, Kurji
Patna 800010

Dear Sirs,

1. We have examined the following restated financial statements of the Company annexed to this report for the purpose of inclusion in the offer document (collectively the "Standalone Financial Information") prepared by the Company in connection with its proposed Initial Public Offer ("IPO"):
   a. the "Restated Standalone Statement of Assets and Liabilities" as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed as Annexure I);
   b. the "Restated Standalone Statement of Profit and Loss" for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 (enclosed as Annexure II) and
   c. the "Restated Standalone Statement of Cash Flows" for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed as Annexure III).

2. We have examined such restated standalone financial information taking into consideration:
   a. the terms of our engagement agreed with you vide our engagement letter dated July 27, 2016, requesting us to carry out work on such financial information, proposed to be included in the offer document of the Company in connection with its proposed IPO; and
   b. the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

3. The Company proposes to make an initial public offer for sale by certain shareholders' existing equity shares of Rs 10 each at such premium, arrived at by book building process (referred to as the "Issue"), as may be decided by the Company and Selling Shareholders in consultation with GCBRLMs and BRLMs.

4. The accompanying restated standalone financial information, expressed in Indian Rupees in Millions, of the Company comprising the Standalone Financial Information and Other Standalone Financial Information referred to in paragraph 11 below (hereinafter together referred to as "Restated Standalone Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of Section 26 of the Companies Act, 2013 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013,as amended (hereinafter referred to as the "Act") and item (IX) of Part (A) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009, as amended (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the Board of Directors of the Company and initialed by us for identification purposes only.

5. The restated standalone financial information has been extracted by the management from the audited standalone financial statements of the Company as at and for each of the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013 prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the board of directors on May 31, 2017, July 30, 2016, July 31, 2015, August 21, 2014 and July 17, 2013 respectively.

Management's Responsibility for the Restated Standalone Financial Information

6. The Management's responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Responsibilities

7. Our work has been carried out in accordance with the Standards on Auditing, (Revised) Guidance Note on Reports in Company Prospectuses and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable provisions within Rules 4 to 6 of the Rules and the SEBI Regulations.

8. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

9. For the purpose of our examination, we have relied on the audited financial statements of the Company for the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013 audited by us, which were expressed in Indian Rupees in 000s, in respect of which we have issued our auditor's reports dated May 31, 2017, July 30, 2016, July 31, 2015, August 21, 2014 and July 17, 2013 respectively;

10. We draw your attention to the following:
    a. the Restated Standalone Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV and Annexure V;

Other Financial Information

11. At the Company's request, we have also examined the following standalone financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at end for the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013:

    i. Restated Standalone Statement of Share Capital, enclosed as Annexure VI
    ii. Restated Standalone Statement of Reserves and Surplus, enclosed as Annexure VII
    iii. Restated Standalone Statement of Long Term Borrowings, enclosed as Annexure VIII
    iv. Restated Standalone Statement of Trade Payables, enclosed as Annexure IX
    v. Restated Standalone Statement of Provisions, enclosed as Annexure X
    vi. Restated Standalone Statement of Short Term Borrowings, enclosed as Annexure XI
    vii. Restated Standalone Statement of Other Current Liabilities, enclosed as Annexure XII
    viii. Restated standalone statement of tangible assets, enclosed as Annexure XIIIA
    ix. Restated standalone statement of intangible assets, enclosed as Annexure XIIIB
    x. Restated Standalone Statement of Non-Current Investments, enclosed as Annexure XIV
    xi. Restated Standalone Statement of Deferred Tax Assets (Net), enclosed as Annexure XV
    xii. Restated Standalone Statement of Loans and Advances, enclosed as Annexure XVI
    xiii. Restated Standalone Statement of Other Assets, enclosed as Annexure XVII
    xiv. Restated standalone statement of inventories, enclosed as Annexure XVIII
    xv. Restated standalone statement of trade receivables, enclosed as Annexure XIX
    xvi. Restated standalone statement of cash and bank balances, enclosed as Annexure XX
    xvii. Restated standalone statement of revenue from operations, enclosed as Annexure XXI
    xviii. Restated standalone statement of other income, enclosed as Annexure XXII
    xix. Restated standalone statement of employee benefits expenses, enclosed as Annexure XXIII
    xx. Restated standalone statement of finance costs, enclosed as Annexure XXIV
    xxi. Restated standalone statement of other expenses, enclosed as Annexure XXV
    xxii. Restated standalone statement of accounting ratios, enclosed as Annexure XXVI
    xxiii. Restated standalone statement of capitalization, enclosed as Annexure XXVII
    xxiv. Restated standalone statement of tax shelter, enclosed as Annexure XXVIII

xxv. Restated standalone statement of dividend declared, enclosed as Annexure XXIX

xxvi. Notes to restated Standalone Summary of Statements of Assets and Liabilities, Profit and Loss and Cash Flows, enclosed as Annexure XXX

Opinion

12. In our opinion, the Restated Standalone Financial Information of the Company, as attached to this report and as mentioned in paragraphs 1 and 11 above, read with basis of preparation and respective significant accounting policies, and after making adjustments and regroupings as considered appropriate and disclosed in Annexures IV, have been prepared in accordance with Section 26 of Companies Act, 2013 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act and the SEBI Regulations

13. Without qualifying our opinion, we draw attention to “Note 7 in Annexure IVA - “Note on material adjustments” in respect of a change in treatment of gratuity and leave benefits.

14. Based on our examination of the Restated Standalone Financial Information and the audited financial statements of the Company for each of the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013, we report that:
    a. the restated standalone profits have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure IV to this report;
    b. adjustments for the material amounts in the respective financial years to which they relate have been adjusted in the attached restated standalone summary statements;
    c. there are no extraordinary items which need to be disclosed separately in the restated standalone summary statements;
    d. there are no qualifications in the auditors’ reports, which require any adjustments to the restated standalone summary statements;
    e. other remarks / comments included in the annexure to the audit report issued in terms of the requirements of the Companies (Auditor’s Report) Order, 2016/2015/2003 (as amended) on the financial statements for the years ended March 31, 2017, March 31, 2016, 2015 and 2014 which do not require any corrective adjustment in the restated standalone financial information, are as follows:

I. For the year ended March 31, 2017

Clause 7 (a) and (c)

According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.

There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of Rs. 33.75 million, (previous year – Rs. 33.66 million), which have been disclosed as a contingent liability in the financial statements.

II. For the year ended March 31, 2016

Clause 7 (a) and (c)

According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.

There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of Rs. 33.66 million, (previous year – Rs. 25.36 million), which have been disclosed as a contingent liability in the financial statements.

III. For the year ended March 31, 2015

Clause 7 (a) and (c)

According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.

There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of Rs. 25.36 million, which have been disclosed as a contingent liability in the financial statements.

IV. For the year ended March 31, 2014

Clause 9 (a)

The Company is generally regular in depositing undisputed statutory dues relating to Income Tax, Service Tax and other material statutory dues applicable to the Company although there have been some minor delays observed in few cases

15. We have not audited or reviewed any financial statements of the Company as of any date or for any period subsequent to March 31, 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 March 31, 2017.

16. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

17. 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, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

18. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Restriction on Use

19. This report is addressed to, and is provided to enable, the Board of Directors of the Company to include this report in the offer documents, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the SEBI, Registrar of Companies, Patna and the concerned Stock Exchanges and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For A. Mitra & Associates
Chartered Accountants
Firm Registration No.: - 005268/C

A. K. Mitra
Partner
Membership No. 015230

Place: New Delhi
Date: May 31, 2017

Security and Intelligence Services (India) Limited

Annexure I – Restated Standalone Statement of Assets and Liabilities of Security and Intelligence Services (India) Limited

(Amount in Rupees millions unless otherwise stated)

	Particulars	Annexures	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						
(A)	**Shareholders' funds**						
	Share capital	VI	687.03	62.00	61.75	61.75	213.30
	Reserves and surplus	VII	1,026.34	1,217.68	1,156.06	1,052.85	669.17
			1,713.37	**1,279.68**	**1,217.81**	**1,114.60**	**882.47**
						-	
(B)	**Share application money pending allotment**						
(C)	**Non - current liabilities**						
	Long-term borrowings	VIII	2,729.90	282.88	291.44	326.19	132.42
	Long-term provisions	X	313.02	243.18	188.23	145.05	108.52
			3,042.93	**526.06**	**479.67**	**471.24**	**240.95**
(D)	**Current liabilities**						
	Short-term borrowings	XI	1,811.04	1,546.85	1,149.24	751.72	674.75
	Trade payables	IX					
	Total outstanding dues of micro and small enterprises and		-	-	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises		125.23	70.93	103.53	65.20	50.64
	Other current liabilities	XII	1,978.01	1,255.11	1,181.75	946.30	985.00
	Short-term provisions	X	359.28	345.86	153.15	188.41	204.88
			4,273.56	**3,218.76**	**2,587.66**	**1,951.63**	**1,915.28**
	Total (A+B+C+D)		**9,029.86**	**5,024.50**	**4,285.14**	**3,537.47**	**3,038.69**
	Assets						
(E)	**Non current assets**						
	Fixed assets						
	Tangible assets	XIIIA	916.02	731.34	571.90	691.41	526.38
	Intangible assets	XIIIB	40.24	9.69	10.07	7.03	5.00
	Capital work-in-progress		3.05	0.00	66.69	66.66	54.45
	Non-current investments	XIV	1,818.45	552.47	508.92	424.76	392.10
	Deferred tax assets (net)	XV	257.84	201.01	198.02	100.92	77.79
	Long-term loans and advances	XVI	183.28	107.61	73.35	80.12	107.87
			3,218.89	**1,602.12**	**1,428.95**	**1,370.90**	**1,163.59**
(F)	**Current assets**						
	Inventories	XVIII	-	-	54.20	48.08	31.14
	Trade receivables	XIX	1,496.08	963.91	716.40	512.58	968.13
	Cash and bank balances	XX	1,042.67	218.86	388.42	431.86	308.85
	Short-term loans and advances	XVI	695.49	550.69	495.30	190.23	334.38
	Other current assets	XVII	2,576.73	1,688.93	1,201.86	983.83	232.60
			5,810.97	**3,422.39**	**2,856.19**	**2,166.58**	**1,875.10**
	Total (E+F)		**9,029.86**	**5,024.51**	**4,285.14**	**3,537.47**	**3,038.69**

Notes:

1) The above statement should be read with the Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure IV, significant accounting policies appearing in Annexure V and notes to the Restated Standalone Financial Information appearing in Annexure XXX.

As per our report of even date
For A. Mitra & Associates
Chartered Accountants

For and on behalf of the Board

A. K. Mitra
Partner
Membership No. 015230
Firm Reg. No.: - 5268/C
Place: New Delhi
Date: May 31, 2017

Ravindra Kishore Sinha
Chairman
[DIN: 00945635]

Rituraj Kishore Sinha
Managing Director
[DIN: 00477256]

Pushpalatha Katkuri
Company Secretary

Uday Singh
Chief Executive Officer & Director
[DIN: 02858520]

Arvind Kumar Prasad
Director – Finance
[DIN: 02865273]

Security and Intelligence Services (India) Limited

Annexure II - Restated standalone Statement of Profit and Loss of Security and Intelligence Services (India) Limited

(Amount in Rupees millions unless otherwise stated)

Particulars	Annexures	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						
Revenue from operations	XXI	16,147.59	12,736.78	10,340.57	8,069.03	5,665.23
Revenue from operations		**16,147.59**	**12,736.78**	**10,340.57**	**8,069.03**	**5,665.23**
Other income	XXII	51.53	136.44	222.30	175.91	161.50
Total revenue (A)		**16,199.12**	**12,873.22**	**10,562.87**	**8,244.94**	**5,826.73**
Expenses						
Employee benefits expense	XXIII	14,404.32	11,344.05	9,148.47	6,954.57	4,712.25
Depreciation and amortisation expense	XIIIA&B	236.98	210.31	245.70	110.80	90.49
Finance costs	XXIV	528.57	206.61	251.43	128.50	146.99
Other expenses	XXV	789.54	626.87	613.15	581.47	473.82
Total expenses (B)		**15,959.40**	**12,387.83**	**10,258.75**	**7,775.34**	**5,423.54**
Profit/(loss) before taxation (A-B) (C)		**239.72**	**485.39**	**304.12**	**469.60**	**403.18**
Tax expense/(income)						
Current tax		50.05	152.72	147.25	160.58	115.49
MAT Credit entitlement		(19.03)	-	-	-	-
Deferred tax charge/(credit)		(56.84)	(2.98)	(89.52)	(23.13)	(11.24)
Total tax expense (D)		**(25.82)**	**149.74**	**57.74**	**137.45**	**104.25**
Net profit/(loss) after taxation (C-D) (E)		**265.54**	**335.65**	**246.38**	**332.15**	**298.93**

Notes:

1) The above statement should be read with the Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure IV, significant accounting policies appearing in Annexure V and notes to the Restated Standalone Financial Information appearing in Annexure XXX.

As per our report of even date
For A. Mitra & Associates
Chartered Accountants

For and on behalf of the Board

A. K. Mitra
Partner
Membership No. 015230
Firm Reg. No.: - 5268/C
Place: New Delhi
Date: May 31, 2017

Ravindra Kishore Sinha
Chairman
[DIN: 00945635]

Rituraj Kishore Sinha
Managing Director
[DIN: 00477256]

Pushpalatha Katkuri
Company Secretary

Uday Singh
Chief Executive Officer & Director
[DIN: 02858520]

Arvind Kumar Prasad
Director – Finance
[DIN: 02865273]

Security and Intelligence Services (India) Limited

Annexure III - Restated standalone Statement of Cash Flows of Security and Intelligence Services (India) Limited

(Amount in Rupees millions unless otherwise stated)

	Particulars	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.	**Cash flows from/ (used in) operating activities**					
	Profit before taxation including discontinued operations (as restated)	**239.72**	**485.39**	**304.12**	**469.60**	**403.18**
	Adjustments for:					
	Depreciation and amortisation expense	236.98	210.31	245.71	110.80	90.49
	Foreign exchange (gain)/loss	(1.12)	4.41	(10.94)	16.97	(0.14)
	Net (gain)/loss on sale of fixed assets	(0.18)	(1.23)	(0.02)	(0.40)	(0.39)
	Net (gain)/loss on sale of investments	0.00	(33.34)	0.00	1.10	0.00
	Interest expense	516.65	199.92	246.04	123.51	140.31
	Interest income	(47.70)	(19.74)	(36.28)	(8.12)	(2.36)
	Dividend income	(2.53)	(78.49)	(161.16)	(164.40)	(158.61)
	Bad debts & advances written off	134.62	64.36	144.27	137.88	90.71
	Share issue expenses written off	1.62	1.62	0.00	0.00	0.00
	Employee stock option compensation expense	63.65	35.70	32.12	(0.00)	0.00
	Operating profit/ (loss) before working capital changes (as restated)	**1,141.71**	**868.91**	**763.85**	**686.94**	**563.19**
	Movements in working capital					
	Decrease/(increase) in Trade receivables	(666.79)	(311.87)	(348.10)	317.68	(357.00)
	Decrease/(increase) in inventories	0.00	54.20	(6.12)	(16.94)	1.14
	Decrease/(increase) in loans and advances	(202.36)	(89.65)	(298.29)	171.90	(149.93)
	Decrease/(increase) in other current assets	(676.68)	(241.87)	(162.52)	(773.50)	28.11
	(Decrease)/increase in Trade payables	54.30	(32.59)	38.33	14.55	11.59
	(Decrease)/increase in provisions	72.53	55.62	(51.44)	34.37	43.59
	(Decrease)/increase in other current liabilities	662.97	94.65	333.48	31.64	130.39
	Cash generated from/ (used in) operations	**385.68**	**397.40**	**269.19**	**466.64**	**271.08**
	Direct taxes paid (net of refunds)	(353.01)	(228.72)	(212.90)	(180.17)	(120.03)
	Net cash generated from/ (used in) operating activities	**32.67**	**168.68**	**56.29**	**286.47**	**151.05**
II.	**Cash flows from/ (used in) investing activities**					
	Purchase of fixed assets and changes in capital work in progress	(462.89)	(307.03)	(153.75)	(296.49)	(160.27)
	Proceeds from sale/(purchase) of fixed assets	7.81	5.57	2.18	6.82	8.89
	Proceeds from sale/(purchase) of investments	7.04	33.34	0.00	(1.10)	0.00
	Investments made	(1,176.69)	(43.54)	(84.17)	(32.65)	0.00
	Interest income	51.81	13.87	33.25	9.53	2.31
	Dividend received	3.39	78.49	161.16	164.40	158.61
	Share issue expenses incurred	(1.62)	(1.62)	0.00	0.00	0.00
	Net cash generated from/ (used in) investing activities	**(1,571.15)**	**(220.92)**	**(41.33)**	**(149.50)**	**9.54**
III.	**Cash flows from/ (used in) financing activities**					
	Proceeds from issue of share capital	0.05	0.25	0.00	126.07	0.00
	Foreign exchange (gain)/loss Realised	1.12	(4.41)	10.94	(16.97)	0.14
	Application money received on issue of share capital	0.00	0.00	0.00	0.00	0.00
	Proceeds from term loans {including Hire purchase}	1,086.25	0.00	30.61	88.90	222.11
	(Repayment) of term loans {including Hire purchase}	(28.68)	(75.18)	(60.91)	(174.53)	(40.30)
	Change in loans repayable on demand	264.19	397.61	397.52	76.97	38.18
	Bonds/Debentures issued (net)	1,550.00	0.00	0.00	173.93	2.31
	Other Loans and Advances received (net)	31.70	35.08	(7.17)	38.75	(2.21)
	Interest paid	(503.03)	(200.27)	(245.97)	(123.83)	(139.98)
	Dividends Paid	(0.00)	(270.41)	(174.30)	(203.24)	(127.81)
	Tax on dividends paid	(39.32)	(0.00)	(9.11)	(0.00)	(20.73)
	Net cash generated from/ (used in) financing activities	**2,362.29**	**(117.33)**	**(58.39)**	**(13.96)**	**(68.29)**
IV.	**Net increase/ (decrease) in cash and cash equivalents [I+II+III]**	**823.81**	**(169.57)**	**(43.43)**	**123.01**	**92.31**

Security and Intelligence Services (India) Limited
Annexure III - Restated standalone Statement of Cash Flows of Security and Intelligence Services (India) Limited

(Amount in Rupees millions unless otherwise stated)

	Particulars	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
V.	**Cash & cash equivalents at the beginning of the year**	**218.86**	**388.42**	**431.86**	**308.85**	**216.55**
VI.	**Cash & cash equivalents at the end of the year [IV+V]**	**1,042.67**	**218.86**	**388.43**	**431.86**	**308.85**
	Components of cash and cash equivalents					
	Cash on hand	1.64	0.61	1.27	0.60	0.86
	With banks on current account & Others	1,041.04	218.25	387.16	431.26	307.99
	Total cash and cash equivalents	**1,042.67**	**218.86**	**388.42**	**431.86**	**308.85**

Notes:
1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the ICAI.
2) The above statement should be read with the Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure IV, significant accounting policies appearing in Annexure V and notes to the Restated Standalone Financial Information appearing in Annexure XXX.

As per our report of even date

For A. Mitra & Associates
Chartered Accountants

A. K. Mitra
Partner
Membership No. 015230
Firm Reg. No.: - 5268/C
Place: New Delhi
Date: May 31, 2017

Pushpalatha Katkuri
Company Secretary

For and on behalf of the Board

Ravindra Kishore Sinha
Chairman
[DIN: 00945635]

Rituraj Kishore Sinha
Managing Director
[DIN: 00477256]

Uday Singh
Chief Executive Officer & Director
[DIN: 02858520]

Arvind Kumar Prasad
Director – Finance
[DIN: 02865273]

Security and Intelligence Services (India) Limited

Annexure IV – Restated Statement on Adjustments to Audited Standalone Financial Statements of Security and Intelligence Services (India) Limited

Annexure IVA – Note on material adjustments

1 Below mentioned is the summary of results of adjustments made to the audited standalone financial statements of the respective years and its impact on the restated summary of statement of profit and loss and restated summary of statement of assets and liabilities:

(Amount in Rupees millions unless otherwise stated)

Particulars	**For the period 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**
Profit after tax (as per audited financial statements)	262.15	123.82	296.40	362.18	324.32
A. Adjustments:					
Material Restatement Adjustments	-	-	-	-	-
(i) Audit qualifications	-	-	-	-	-
Total	-	-	-	-	-
(ii) Other adjustments					
(a) Provision for compensation to employees on account of ESOP expense written back (Refer Note 2 below)	(0.04)	0.05	(0.07)	(0.03)	(0.43)
(b) Provision for doubtful debts / bad debts written off (Refer Note 3 below)	5.25	73.20	20.25	(8.10)	1.76
(c) Income taxes related to earlier years (Refer Note 4 below)	-		0.91		
(d) Prior period expense/income (Refer Note 5 below)	-	-	(0.05)	0.22	(0.06)
(e) Incremental bonus expenses (Refer Note 6 below)	-	53.28	(53.28)	-	-
Total	**5.20**	**126.53**	**(32.25)**	**(7.91)**	**1.26**
B. Adjustments on account of changes in accounting treatment:					
Gratuity valued/accounted as per Actuarial Valuation (Refer Note 7 below)	-	167.13	(39.35)	(33.60)	(38.67)
Leave encashment valued/accounted as per Actuarial Valuation (Refer Note 7 below)	-	27.00	(4.58)	(4.07)	(1.00)
Total	**-**	**194.13**	**(43.93)**	**(37.67)**	**(39.67)**
C. Deferred tax impact of adjustments (Refer Note 8 below)	**(1.82)**	**(108.83)**	**26.15**	**15.55**	**13.02**
Total impact of adjustments (A+B+C)	**3.39**	**211.83**	**(50.03)**	**(30.03)**	**(25.39)**
Restated profit after tax	**265.54**	**335.65**	**246.37**	**332.15**	**298.93**

Notes:

1) **Adjustments for Audit Qualifications**
None

2) During the years ended March 31, 2017 March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Company reversed certain amount of provision pertaining to employee stock option plan for employees whose options got lapsed and which were considered as no longer payable. Since these were relating to earlier years, the reversal has now been reflected in the respective years in which the liability has been created.

3) In the Standalone Statement of Profit and Loss for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, certain amounts had been written-off as bad and doubtful debts, which for the purpose of this statement, have been appropriately adjusted in the respective years to which they relate.

4) The Standalone Statement of Profit and Loss for the financial years ended March 31, 2015 includes amounts provided for in respect of short provision of income taxes in respect of the earlier years which has now been adjusted in the respective years.

5) In the financial statements for the year ended March 31, 2015, March 31, 2014 and March 31, 2013, certain expense/income were not charged/credited to the statement of profit and loss in the year in which they were incurred/earned. For the purpose of restated standalone summary of financial statements, such expense/income have been appropriately adjusted in the financial years to which the transactions pertain to.

6) Subsequent to the year ended March 31, 2015, Payment of Bonus Act, 1965 (‘ the Act”) has been amended vide the Payment of Bonus (Amendment) Act, 2015. The Act has been amended to take retrospective effect w.e.f. April 01, 2014 and accordingly revised bonus (including arrears related to the year ended March 31, 2015) is required to be paid to the eligible employees. Hence, the Company has recognized statutory bonus of Rs. 507.40 mn in the year ended March 31, 2016 (including Rs. 53.28 Mn relating to the year ended March 31, 2015) forming part of salaries, wages and bonus with a remaining corresponding amount included in Other liability and payable as at March 31, 2016. Accordingly, the amounts pertaining to the year ended March 31, 2015 have been appropriately restated with a corresponding impact to the year ended March 31, 2016 respectively in the Restated Standalone Financial Information.

7) **Change in accounting treatment:**

During the financial year ended March 31, 2016, the Company has changed the basis of accounting for retirement benefits i.e. provision for gratuity and leave encashment is made on the basis of actuarial valuation in compliance of the Accounting Standard - 15 (Revised) issued by the Institute of Chartered Accountants of India, which was earlier accounted for on actual basis. Accordingly, the provision for gratuity and leave encashment has been recomputed on actuarial valuation basis for each preceding year and consequently the adjustments have been made in the expense for gratuity and leave encashment for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and the brought forward balance in Profit and Loss Account as at April 1, 2012.

8) Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the restated profit and loss for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and the balance brought forward in Statement of Profit and Loss as at April 1, 2012. The tax rate of 33.95% has been used to calculate the deferred tax impact on adjustments for all the years.

9) The above statement should be read with the Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure IV, significant accounting policies appearing in Annexure V and notes to the Restated Standalone Financial Information appearing in Annexure XXX.

2 Adjustments made in the audited opening balance of surplus in the Statement of Profit and Loss as at April 1, 2012

(Amount in Rupees millions unless otherwise stated)

Particulars	**Amount**
Surplus in the Statement of profit and loss as at April 1, 2012 as per audited financial statements	544.39
Adjustments on account of restatements:	-
Provision for compensation to employees on account of ESOP expense written back (Refer Note 2 below)	0.53
Provision for doubtful debts / bad debts written off (Refer Note 3 above)	(92.35)
Income taxes related to earlier years (Refer Note 4 above)	(0.90)
Prior period expense/income (Refer Note 5 above)	(0.10)
Gratuity valued/accounted as per Actuarial Valuation (Refer Note 7 above)	(55.50)
Leave encashment valued/accounted as per Actuarial Valuation (Refer Note 7 above)	(17.36)
Deferred tax impact of adjustments (Refer Note 8 above)	55.92
Surplus in the Statement of Profit and Loss as at April 1, 2012 (as restated)	**434.63**

Annexure IVB – Non adjusting items

Audit qualifications for the respective periods, which do not require any corrective material adjustments in the restated standalone summary of statements are as follows:

I. For the year ended March 31, 2017

Clause 7 (a) and (c)

According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.

c) There were no amounts under dispute in respect of Income-tax, Custom Duty, Excise Duty, Cess except for an amount of INR 33.74 (previous year - INR 33.65) (INR in millions) which have been disclosed as a contingent liability in the financial statements.

II. For the year ended March 31, 2016

Clause 7 (a) and (c)
According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.

There were no amounts under dispute in respect of Income-tax, Custom Duty, Excise Duty, Cess except for an amount of INR 33.65 (previous year - INR 25.36) (INR in millions), which have been disclosed as a contingent liability in the financial statements.

III. For the year ended March 31, 2015

Clause 7 (a) and (c)

According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.

There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of INR 25.36 (INR in millions), which have been disclosed as a contingent liability in the financial statements.

IV. For the year ended March 31, 2014

Clause 9 (a)

The Company is generally regular in depositing undisputed statutory dues relating to Income Tax, Service Tax and other material statutory dues applicable to the Company although there have been some minor delays observed in few cases

Annexure IVC – Material regroupings

W.e.f April 01, 2014, Schedule III of the Companies Act, 2013 has become applicable to the Company for the preparation and presentation of its financial statements which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956 which became applicable to the Company w.e.f April 01, 2012 for the preparation and presentation of its financial statements. The adoption of the Schedule III of the Companies Act, 2013/Revised Schedule VI of the Companies Act, 1956 does not impact recognition and measurement principles followed for preparation of financial statements. There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. The restated standalone 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.

Appropriate adjustments have been made in the restated standalone summary statements of Assets and Liabilities, Profit 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 financials of the Company for the year ended March 31, 2017, prepared in accordance with Schedule III of Companies Act, 2013, and restated in the terms of requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

Annexure V - Basis of Preparation and Significant Accounting Policies

1. Corporate information

Security and Intelligence Services (India) Limited ("the Company") is engaged in rendering security and related services in the areas of manned guarding, cash management and transit, consulting and investigation, training and facility management and cleaning services. The Company was incorporated on January 2, 1985 as a private limited company and converted itself into a public limited company on July 29, 1993. Consequently, the Company changed its name from Security and Intelligence Services (India) Private Limited to Security and Intelligence Services (India) Limited.

2. Basis of preparation

The Restated Standalone Summary of Statement of Assets and Liabilities of the Security and Intelligence Services (India) Limited ("the Company") as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 and the related Restated Standalone Summary of Statement of Profit and Loss and Restated Standalone Summary Statement of cash flows for the year ended March 31, 2017, and the years ended March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 and annexures thereto (herein collectively referred to as ('Restated Standalone Financial Information') have been compiled by the management from the Audited Standalone Financial Statements of the Company for the year ended March 31, 2017, and the years ended March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013.

The Audited Standalone Financial Statements of the Company for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies Act, 1956 (the "Act") and (as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. These financial statements have been prepared using the historical cost convention on an accrual basis.

The Standalone Financial Statements of the Company for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 have been prepared using the historical general purpose Audited Financial Statements of the Company for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 respectively which were prepared under Indian GAAP and originally approved by the board of directors at the relevant time.

The accounting policies have been consistently applied by the Company and are consistent with those adopted in the preparation of financial statements for the period ended March 31, 2017.

These Standalone 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.

The Restated Standalone Financial Information 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 Standalone Summary of Statement of Assets and Liabilities, Profit and loss 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.

3 Significant accounting policies

a. Use of estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the Company may undertake in future, actual results ultimately may differ from the estimates.

b. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue comprises the value for the rendering of services and sale of goods and is net of rebates and discounts. Revenue is recognized as follows:

Revenue from Services

Revenue from services represents the amounts receivable for services rendered.
a. For non-contract based business, revenue represents the value of goods delivered or services performed.
b. For contract based business, revenue represents the sales value of work carried out for customers during the period. Such revenues are recognized in the period in which the service is provided.

Sale of goods

For sale of goods, revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably and the amount of revenue can be measured reliably.

Interest

Interest on deployment of surplus funds is recognized using the time proportionate method, based on the interest rate implicit in the transaction.

Dividends

Dividend income from financial assets is recognized in profit or loss as part of revenue from continuing operations when the company's right to receive payments is established.

c. Fixed assets

Fixed assets and Intangible assets are stated at cost of acquisition less accumulated depreciation/amortization and impairment losses, if any. Cost comprises the purchase price and any attributable cost, including freight, duties, levies and direct incidental expenses, of bringing the asset to its working condition for its intended use and also includes cost of modification and improvements to leased assets. Borrowing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.
Capital work in progress (CWIP) comprises the cost of fixed assets that are not yet ready for their intended use as on the balance sheet date.
Advances paid to acquire fixed assets and outstanding on the date of the balance sheet are disclosed under "Long term loans and advances"

d. Depreciation

Depreciation on fixed assets, except service equipment, software, leased assets and leasehold improvements, is provided on a written down value basis based on the useful life of the assets as prescribed under Schedule II to the Companies Act 2013, and/or which are estimated to be the useful life of fixed assets by the management and considering residual values on the basis of past experience. Additions are depreciated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. (Refer note 6 under "Other Notes to Accounts").
Service equipment is depreciated over its useful life as technically assessed.
Leasehold improvements on operating leases are depreciated over the shorter of the period of the lease and their estimated useful lives. Assets leased under finance lease are depreciated as stated below.

Intangible assets comprise of software and goodwill arising on acquisition. Software assets are amortised over a period of 3-5 years, based on their estimated useful life as ascertained by the management. 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. Goodwill arising on acquisition is not amortised but is tested for impairment.
Assets acquired/purchased as part of the acquisition of business are depreciated over a period estimated to be the remaining useful life of fixed assets by the management.

e. Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

f. Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.
If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term.
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

g. Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

h. Inventories

Inventories are carried at the lower of cost or net realizable value and are valued using the actual cost of purchase on a first-in-first-out (FIFO) basis. Cost includes custom duty, freight and other charges as applicable. The Company periodically reviews inventories to provide for diminution in the value of, and/or any unserviceable or obsolete. inventories.

i. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

j. Retirement and other employee benefits

Defined Contribution Plan
The Company contributes on a defined contribution basis to Employee's Provident Fund and Employee Pension Scheme towards post-employment benefits, all of which are administered by the respective Government authorities and has no further obligation beyond making its contribution which is expected in the year in which it pertains.
Defined Benefit Plan
The Company has a defined benefit plan, viz., Gratuity, for all its employees, the liability for which is accrued and provided for as determined by an independent actuarial valuation as per the requirements of Accounting Standard - 15 on "Employee Benefits". A portion of this liability for gratuity is contributed to a fund administered and operated by a reputed insurance company. Actuarial gains or losses, if any, are recognised immediately in Statement of Profit and Loss as income or expense.
Other long-term employee benefits
In respect of leave entitlement of employees, which is carried forward per the leave policy of the Company, the liability is accrued and provided for as determined by an independent actuarial valuation as per the requirements of Accounting Standard - 15 on "Employee Benefits". Actuarial gains or losses, if any, are recognised immediately in Statement of Profit and Loss as income or expense.

k. Taxes on income

Tax expense comprise 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 Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, where the company has unabsorbed tax depreciation and carried forward tax losses, deferred tax assets are recognised only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

l. Foreign currency transactions

Initial recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
Conversion
Foreign currency monetary items are reported using the closing rate. Non-monetary items that 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 that are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
Exchange differences
Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognized as income or as expenses in the year in which they arise except those pertaining to fixed assets which have been acquired from a country outside India, in which case the exchange difference arising on borrowings are adjusted to the cost of the fixed asset.

m. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. In respect of losses that are covered by insurance, such losses are recognised as an expense when there is clear evidence or determination or probability that any portion of the loss is not expected to be settled through insurance or other forms of recovery.

o. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

p. Preliminary expenses

Preliminary and pre-incorporation expenses are recognised in Statement of Profit and Loss in the first financial period/year following incorporation.

q. Deferred revenue expenses

Share/debenture issue expenses are amortized over a period of five years on a straight line basis.

Annexure VI - Restated standalone statement of share capital

(Amount in Rupees millions unless otherwise stated)

Particulars	As at March 31, 2017 No. of shares "in 000"	As at March 31, 2017 Amount	As at March 31, 2016 No. of shares "in 000"	As at March 31, 2016 Amount	As at March 31, 2015 No. of shares "in 000"	As at March 31, 2015 Amount	As at March 31, 2014 No. of shares "in 000"	As at March 31, 2014 Amount	As at March 31, 2013 No. of shares "in 000"	As at March 31, 2013 Amount
Authorised share capital										
Equity shares of Rs. 10 each	135,000.00	1,350.00	135,000.00	1,350.00	12,000.00	120.00	12,000.00	120.00	12,000.00	120.00
Fully convertible preference shares of Rs. 100 each	-	-	-	-	1,600.00	160.00	1,600.00	160.00	1,600.00	160.00
	135,000.00	**1,350.00**	**135,000.00**	**1,350.00**	**13,600.00**	**280.00**	**13,600.00**	**280.00**	**13,600.00**	**280.00**
Issued share capital										
Equity shares of Rs. 10 each	68,703.09	687.03	6,200.28	62.00	6,175.28	61.75	6,175.28	61.75	5,330.47	53.30
Fully convertible preference shares of Rs. 100 each	-	-	-	-	-	-	-	-	16,000.00	160.00
	68,703.09	**687.03**	**6,200.28**	**62.00**	**6,175.28**	**61.75**	**6,175.28**	**61.75**	**21,330.47**	**213.30**
Subscribed and paid up share capital										
Equity shares of Rs. 10 each	68,703.09	687.03	6,200.28	62.00	6,175.28	61.75	6,175.28	61.75	5,330.47	53.30
Less : equity shares forfeited	(0.13)	(0.00)	(0.13)	(0.00)	(0.13)	(0.00)	(0.13)	(0.00)	(0.13)	(0.00)
Fully convertible preference shares of Rs. 100 each	-	-	-	-	-	-	-	-	16,000.00	160.00
	68,702.96	**687.03**	**6,200.16**	**62.00**	**6,175.16**	**61.75**	**6,175.16**	**61.75**	**21,330.35**	**213.30**

Notes:

1) Of the above, 2,210,500 equity shares were allotted as fully paid bonus shares by capitalisation of general reserve in financial year 2005-06.

2) On July 27, 2016, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment 10 (ten) Bonus Equity Shares of Rs. 10 each for every equity share of Rs. 10 each held by the members as on August 20,2016 including for all shares which may arise out of exercise of employee stock options and on conversion of CCDs. Subsequently, at a meeting of the board held on September 1, 2016, the Company decided to change the record date for the issue of bonus shares from August 20,2016 to September 15, 2016. As on this date, viz., September 15, 2016, a total of 6,245,724 equity shares were issued and paid up. On September 21, 2016, the Company issued and allotted 62,457,240 bonus equity shares of Rs. 10 each and, accordingly, a sum of Rs. 624.57 million was capitalised, on allotment of the bonus shares, out of the Company's General reserves outstanding as on March 31, 2016 and was transferred to the Share Capital Account towards issue of fully paid-up bonus shares pursuant to which the paid-up equity share capital of the Company increased from Rs. 62.46 million to Rs. 687.03 million.

3) Mr. Uday Singh was the holder of 79,000 unpaid shares in SIS International Holdings Ltd., a wholly owned subsidiary. In terms of a letter dated December 1, 2009, Mr. Singh had the option to exchange these shares for shares of any companies in the SIS group in a manner reflecting the fair value of the these shares, reduced by the amounts unpaid on them. Subsequently, in lieu of these shares and suitably adjusted for amounts unpaid thereon, Mr. Singh was allotted 40,565 Equity Shares, at a ratio as determined in accordance with a valuation report prepared by a SEBI registered merchant banker.

Security and Intelligence Services (India) Limited
Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure VI - Restated standalone statement of share capital (continued)

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

(Amount in Rupees millions unless otherwise stated)

Particulars	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 "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount
At the beginning of the year	6,200.16	62.00	6,175.16	61.75	6,175.16	61.75	5,330.35	53.30	5,330.35	53.30
Issued during the year	-	-	25.00	0.25	-	-	844.81	8.45	-	-
Issued as bonus shares	62,457.24	624.57	-	-	-	-	-	-	-	-
Shares allotted upon exercise of ESOPs and	5.00	0.05	-	-	-	-	-	-	-	-
Shares allotted preferentially to Mr. Uday Singh	40.57	0.41	-	-	-	-	-	-	-	-
Outstanding at the end of the year	**68,702.96**	**687.03**	**6,200.16**	**62.00**	**6,175.16**	**61.75**	**6,175.16**	**61.75**	**5,330.35**	**53.30**

b. Rights, preferences and restrictions attached to shares

(i) The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share held. The Company declares and pays the dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Compulsory convertible preference shares carry preferential right to dividend of Rs. 0.01 per share to be paid before any dividend is paid on equity shares. The shares were convertible at any time after July 31, 2011. The Compulsory convertible preference shares were convertible to 464,686 equity shares in accordance with the terms of the issues. In the event of winding up of the Company, the holders of the preference shares were entitled to a preferential right of return of the capital paid-up thereon.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after the distribution of all preferential amounts , if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	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 "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding
Equity shares										
Ravindra Kishore Sinha	28,564.89	41.58%	2,596.81	41.88%	2,596.81	42.05%	2,596.81	42.05%	2,741.49	51.43%
Rita Kishore Sinha	12,111.06	17.63%	1,099.70	17.74%	1,099.70	17.81%	1,099.70	17.81%	1,099.70	20.63%
Theano Private Limited	10,439.77	15.20%	949.07	15.31%	949.07	15.37%	949.07	15.37%	-	0.00%
Rituraj Kishore Sinha	7,086.89	10.32%	653.51	10.54%	652.59	10.57%	652.25	10.56%	658.43	12.35%

d. Compulsory convertible preference shares

Details of shareholders holding more than 5% shares in the Company

Particulars	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 "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding
Preference shares										
D. E. Shaw Composite Investments (Mauritius) Limited	-	-	-	-	-	-	-	-	1,600.00	100%

As per records of the Company, including its register of shareholder/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

e. The Company has two Employee Stock Option plans namely ESOP 2008 and ESOP 2016. Under ESOP 2008 Employee Stock options were granted in 2008, 2011, 2014, 2015 and 2016 and 59,000 options, 30,000 Options, 30,500 Options 3,500 options and 2,096 options respectively have been granted.

All options granted in 2008 has been either exercised or lapsed. Out of the 30,000 options granted in 2011, 12,876 options were exercised, 10,355 options are vested and remaining to be exercised and the remaining 6,769 options have lapsed.

Out of the 30,500 options granted in 2014, 26,500 options have been exercised (including 1,500 options during the year ended March 31, 2017) and the remaining 4,000 options are to vest and be eligible for exercise in the next 3 financial years.

Out of the 3,500 Options granted in 2015, all were vested and exercised during the year ended March 31, 2017.

Out of the 2,096 Options granted in 2016, the same will vest and be eligible for exercise over the next four financial years.

Options issued under ESOP 2008 will be adjusted for the bonus issue of ten equity shares for every equity share held as on September 20, 2016.

Under ESOP 2016, the Company granted 1,216,000 options which will vest over the next four financial years and be eligible for exercise, subject to certain conditions, after August 1, 2020.

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Security and Intelligence Services (India) Limited

Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure VII - Restated standalone statement of reserves and surplus

(Amount in Rupees millions unless otherwise stated)

Particulars	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
General reserve					
Balance as at the beginning of the year	815.00	950.00	-	-	-
Add: amount transferred to/from surplus balance in the statement of profit and loss	-	(135.00)	950.00	-	-
Less: Utilised for bonus shares issued during the year	624.57	-	-	-	-
Balance as at the end of the year (A)	**190.43**	**815.00**	**950.00**	**-**	**-**
Securities premium account					
Balance as at the beginning of the year	386.98	332.73	332.73	55.11	55.11
Add : premium on issue of equity shares	95.94	-	-	122.27	-
Add : premium on conversion of compulsory convertible preference shares	-	-	-	155.35	-
Add : premium on exercise of employee stock options	10.85	54.25	-	-	-
Balance as at the end of the year (B)	**493.77**	**386.98**	**332.73**	**332.73**	**55.11**
Employee stock options outstanding account					
Balance as at the beginning of the year	14.90	33.45	1.34	1.34	1.38
Add: expense for the year	71.76	35.74	32.12	-	(0.04)
Less: transferred to securities premium on exercise of employee stock options	(10.85)	(54.30)	-	-	-
Balance as at the end of the year (C)	**75.81**	**14.90**	**33.45**	**1.34**	**1.34**
Surplus/ (deficit) in the Statement of Profit and Loss					
Balance as at the beginning of the year	0.80	(160.13)	718.78	612.72	434.63
Restated profit/(loss) for the year	265.54	335.65	246.38	332.15	298.93
Less: appropriations					
Proposed equity dividend	-	-	-	-	-
Tax on proposed equity dividend					
Transfer to general reserves	-	135.00	(950.00)	-	-
Interim dividend	0.00	(270.41)	(160.55)	(216.98)	(103.97)
Tax on interim dividend	-	(39.32)	-	(9.11)	(16.87)
Depreciation (net of tax) due to transitional provision of Schedule II of Companies Act, 2013	-	-	(14.74)	-	-
Balance as at the end of the year (D)	**266.34**	**0.80**	**(160.13)**	**718.78**	**612.72**
Total reserves and surplus (A+B+C+D)	**1,026.34**	**1,217.68**	**1,156.06**	**1,052.85**	**669.17**

Notes:

1) Depreciation on fixed assets, except software, leased assets and leasehold improvements, till the year ended March 31, 2014, were provided on a written down value basis at the rates prescribed under Schedule XIV to the Companies Act, 1956 and which were estimated to be the useful life of fixed assets by the management. Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from April 1, 2014, the Company, during the year ended March 31, 2015, recalculated the remaining useful life and residual values of fixed assets in accordance with the provisions of Schedule II to the Act. In the case of fixed assets which had already completed their useful life in terms of Schedule II to the Act, the carrying value (net of residual value) of such assets as at April 1, 2014, amounting to INR 14.74 mn (net of deferred tax amounting to INR 7.59 mn), was adjusted from the Surplus – Balance in Profit and Loss Account and disclosed in note 2 to the accounts, and in the case of other fixed assets, the carrying value (net of residual value) continued to be depreciated as per the re-calculated remaining useful life
2) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
3) During the financial year ended March 31, 2014, the Company converted 1,600,000 preference shares of Rs. 100 each into 464,686 equity shares of Rs. 10 each at a premium of Rs. 334.32 per equity share in terms of the Investment agreement and the approvals received from the Reserve Bank of India.
4) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure VIII - Restated standalone statement of long term borrowings

(Amount in Rupees millions unless otherwise stated)

Particulars	As at March 31, 2017 Non - current	As at March 31, 2016 Non - current	As at March 31, 2015 Non - current	As at March 31, 2014 Non - current	As at March 31, 2013 Non - current
Secured					
Debentures					
Compulsory convertible debentures (Refer Note 1(a) below)	176.24	176.24	176.24	176.24	-
Non-convertible debentures (Refer Note 1(b) below)	800.00	-	-	-	-
Term loans					
From financial institutions (Refer Note 2(a) below)	400.00	-	-	-	17.11
From banks (Refer Note 2(b) below)	417.22	22.38	53.56	83.86	77.22
Hire Purchase Vehicle loans					
From banks (Refer Note 5(a) below)	66.58	47.12	39.02	61.05	21.24
From others (Refer Note 5(b) below)	26.11	37.14	22.61	5.04	16.84
Total (A)	**1,886.15**	**282.88**	**291.44**	**326.19**	**132.42**
Unsecured					
Bonds					
Rupees Denominated Bonds (Refer Note 1(c) below)	750.00	-	-	-	-
Term Loans					
Yes Bank (Refer Note 2(b) below)	93.75	-	-	-	-
Total (B)	**843.75**	-	-	-	-
Total (A+B)	**2,729.90**	**282.88**	**291.44**	**326.19**	**132.42**

Notes:

1a) Theano Private Limited and AAJV Investment Trust have subscribed to 1,762,380 compulsory convertible debentures (CCDs) of Rs.100/- each. The CCDs are for a term of 18 years and non interest bearing. The CCDs will be converted to 22 equity shares of the Company subject to certain terms.

1b) Piramal Enterprises Limited has subscribed to 80 unlisted unrated secured redeemable non-convertible debentures (NCDs) of Rs 10,000,000/- each. The NCDs carry interest @ 12.70 per annum, payable monthly. The Company shall mandatorily prepay 50% of the NCDs from proceeds of IPO and has a right to redeem the NCDs without any prepayment penalty with a prior notice of 30 days. Tenure of the NCDs shall not exceed 60 months from effective date.

1c) SIS Australia Group Pty Limited has subscribed to 750 Rupee Denominated Bonds (RDBs) of face value of Rs 1,000,000/- each. The RDBs do not carry any voting right and cannot be converted into Equity shares or other form of stocks of the Company. The RDBs will constitute direct, unconditional and unsecured obligations of the Company to repay the RDBs at the issue price plus interest @ 8% per annum. These RDBs shall be redeemed within 9 years from the date of issue with a locking period of 3 years from the date of the issue.

2) Key terms and breakdown of term loans are as follows:

	Particulars	As at March 31, Non - current	As at March 31, Non - current	As at March 31, Non - current	As at March 31, Non - current	As at March 31, Non - current
a	**Term loan from financial institutions**					
	Term loan from Reliance capital Limited (Refer Note 3(a) below)	-	-	-	-	17.11
	Term loan from Piramal Enterprises Limited (Refer Note 3(b) below)	400.00	-	-	-	-
	Total (A)	**400.00**	-	-	-	**17.11**
b	**Term loan from banks**					
	Term loan from State Bank of India (Refer Note 4 below)	-	-	2.47	42.90	77.22
	Term loan from Axis Bank Limited (Refer Note 3(b) below)	(0.00)	22.38	51.09	40.97	-
	Term loan from Yes Bank Limited (Refer Note 3(b) below)	93.75	-	-	-	-
	Term loan from IDBI Bank Limited (Refer Note 3(b) below)	28.33	-	-	-	-
	Term loan from IDFC Bank Limited (Refer Note 3(b) below)	388.89	-	-	-	-
	Total (B)	**510.97**	**22.38**	**53.56**	**83.86**	**77.22**
	Total (A+B)	**910.97**	**22.38**	**53.56**	**83.86**	**94.33**

Annexure VIII - Restated standalone statement of long term borrowings

3a) The Term loan from Reliance Capital was secured by charge over building purchased for which advances were given.

3b) Term loans from Banks/other financial institutions : Details of loans outstanding as at March 31, 2017

Sl No	Bank	Rate of Interest	Sanctioned amount (Rs.mn)	Security	Repayment Terms
i	Term Loan from Piramal Enterprises Limited	12.70%	800	a) Secured by first exclusive charge on all present and future current assets and fixed assets acquired out of the loan. b) 59% Shares of Service Master Clean Limited and 78.72 % shares of Dusters Total Solutions Limited were pledged.	48 equally monthly installments of Rs 16.7 mn each. Repayment starts from 29/10/2017 and scheduled to be repaid by Financial Year 2021-22. The company has a right to repay without any prepayment penalty with prior notice of 30 days.
ii	Term loan from Yes Bank Limited	Base Rate plus 0.5% i.e. 10.75%	150	Unsecured	16 equally quarterly of Rs 9.37 mn each. Repayment start from 22/11/2016 and scheduled to be repaid by Financial Year 2020-21. The company has a right to repay without any prepayment penalty.
iii	Term loan from IDBI Bank Limited	Base rate plus 1.75% i.e. 11.75%	100	Secured by an exclusive charge on the specified assets acquired out of the loan and second pari-passu charge on all movable and immovable fixed assets of the Company.	14 Equal quarterly installments of Rs 6.67 mn each, last being and scheduled to be repaid by Financial Year 2019-20(last installment due on 31/03/2020). Prepayment penalty is applicable as mentioned in IDBI internal guidelines.
iv	Term loan from IDFC Bank Limited	12.75%	750	Secured by way of first pari-passu charge on current assets and all immovable and movable fixed assets of the Company and exclusive charge over specific immovable properties located in Delhi, Noida, or any other properties in the NCR.	18 equally quarterly of Rs 4.6875 lacs each. Repayment start from 29/4/2017 and scheduled to be repaid by Financial Year 2020-21.No Prepayment penalty if notice of prepayment issued 30 days prior to date repayment.
v	Term loan from Axis Bank Limited	Base rate plus 1.75%	100	Secured by way of first charge on the fixed assets purchased out of the loan and by a second charge on the current assets and movable fixed assets of the Company.	14 Equal quarterly installments of 7.10 millions each, last being Rs 7.70 millions. Repayment start from 31 May 2014 and scheduled to be repaid by Financial Year 2018-19. The Prepayment will accepted on mutually agreed terms and conditions.

Annexure VIII - Restated standalone statement of long term borrowings

4) Term loan from State Bank of India is secured by way of pari passu charge over all current assets and first charge on the fixed assets of the Company and have also been guaranteed by Mr. R K Sinha, Chairman & Managing Director and Mrs. R K Sinha, Director as well as by first paripassu charges on immovable property in the name of Mr. R K Sinha, Chairman & Managing Director and Mrs. R K Sinha, Director .

5) (a) Vehicle Loan from Banks are secured by hypothecation of Vehicle purchased against the loan taken from that Bank. The Loans have various repayment schedules and are scheduled to be repaid by 2020-21.

   (b) Vehicle Loan from Other Financiers are secured by hypothecation of the respective vehicle(s) purchased against the loan taken from that financier(s). The Loans have various repayment schedules and are scheduled to be repaid by 2020-21.

6) There are no unsecured Term loans taken from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies and other group companies.

7) The figures disclosed above are based on the restated standalone Summary of Statement of Assets and Liabilities of the Company.

8) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure IX - Restated standalone statement of trade payables

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
	Current	**Current**	**Current**	**Current**	**Current**
Trade payables (Refer Note 6 in Annexure XXX for details of dues to micro and small enterprises)	125.23	70.93	103.53	65.20	50.64
Total	**125.23**	**70.93**	**103.53**	**65.20**	**50.64**

Notes:

1) There are no amounts due to Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary/ Associate Companies or person related to the Director / Promoters.
2) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
3) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure X - Restated standalone statement of provisions

(Amount in Rupees millions unless otherwise stated)

Particulars	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	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Provision for employee benefits										
Provision for gratuity (Annexure XXX note 3)	278.11	-	219.12	-	167.13	-	127.78	-	94.18	-
Provision for compensated absences leave	34.91	9.25	24.05	6.57	21.10	5.90	17.27	5.15	14.34	4.01
Other provisions										
Provision for dividend	-	-	-	-	-	-	-	13.74	-	-
Provision for dividend tax	-	(0.00)	-	39.32	-	-	-	9.11	-	-
Provision for taxation	-	350.02	-	299.97	-	147.25	-	160.42	-	200.87
Total	**313.02**	**359.28**	**243.18**	**345.86**	**188.23**	**153.15**	**145.05**	**188.41**	**108.52**	**204.88**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Security and Intelligence Services (India) Limited

Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure XI - Restated standalone statement of short term borrowings

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Secured					
Loans repayable on demand					
From Banks					
Overdraft (Refer Note 1 (a) below)	15.96	12.21	7.63	(6.88)	6.51
Cash credit (Refer Note 1 (b) below)	1,423.25	1,509.14	1,098.91	758.60	618.23
Total (A)	**1,439.21**	**1,521.35**	**1,106.54**	**751.72**	**624.75**
Unsecured					
Loans repayable on demand from banks (Refer Note 1 (c) below)	350.67	-	-	-	50.00
Loans and advances from related parties					
From subsidiaries (Refer Note 11 below)	21.16	25.50	42.69	-	-
Total (C)	**21.16**	**25.50**	**42.69**	**-**	**-**
Total (A+B+C)	**1,811.04**	**1,546.85**	**1,149.24**	**751.72**	**674.75**

Notes:

1) Key terms and breakdown of loans are as follows:

	Particulars	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	**Overdraft from banks**					
	Overdraft from State Bank of India (Refer Note 2 below)	2.14	0.03	-	0.14	6.14
	Overdraft from Axis Bank Limited (Refer Note 2 below)	-	5.93	7.63	5.35	0.79
	Overdraft from ICICI Bank Limited (Refer Note 2 below)	13.82	6.25	-	(12.36)	(0.41)
	Total (A)	**15.96**	**12.21**	**7.63**	**(6.88)**	**6.51**
b	**Cash credit from banks**					
	Cash credit from State Bank of India (Refer Note 3 below)	173.91	650.02	606.09	493.07	323.46
	Cash credit from IDBI Bank Limited (Refer Note 4 below)	153.36	126.64	-	123.42	-
	Cash credit from Axis Bank Limited (Refer Note 5 below)	350.69	145.70	144.87	142.11	144.48
	Cash credit from ICICI Bank Limited (Refer Note 6 below)	305.63	217.52	0.00	-	150.30
	Cash credit from Kotak Mahindra Bank Limited (Refer Note 7 below)	439.65	369.25	347.95	-	-
	Total (B)	**1,423.25**	**1,509.14**	**1,098.91**	**758.60**	**618.23**
	Total (A+B)	**1,439.21**	**1,521.35**	**1,106.54**	**751.72**	**624.75**
c	**Loans repayable on demand from bank**					
	Yes Bank Limited	100.67	-	-	-	-
	Standard Chartered Bank Limited	250.00	-	-	-	-
	Kotak Mahindra Bank Limited	-	-	-	-	50.00
	Total	**350.67**	**-**	**-**	**-**	**50.00**

2) Overdrafts from SBI, Axis bank Limited, and ICICI Bank Limited are secured against fixed deposit.

3) Cash credit from State Bank of India is secured by pari passu charge over all current assets (both present and future) and first charge on the fixed assets (both present and future) of the Company and have also been guaranteed by Mr. R K Sinha, Chairman & Managing Director and Mrs. R K Sinha, Director as well as by first pari passu charges on the immovable property in the name of Mr. R K Sinha, Chairman & Managing Director and Mrs. R K Sinha, Director.

4) Cash credit from IDBI Bank Limited is secured by pari passu charge over all current assets (both present and future) and second charges over fixed assets (both present and future)of the Company.

5) Cash credit from Axis Bank Limited is secured by pari passu charge over all the current assets (both present and future) and second charges over the fixed assets (both present and future) of the Company.

6) Cash credit from ICICI bank Limited is secured by pari passu charge over all current assets (both present and future) and second charges over the moveable fixed assets (both present and future) of the Company.

7) Cash credit from Kotak Mahindra Bank Limited is secured by pari passu charge over all current assets (both present and future) and second charges over the moveable fixed assets (both present and future) of the Company.

8) There is no continuing default as on the balance sheet date in repayment and interest thereon.

9) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.

10) There are no unsecured loans taken from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies/Other Group Companies except given in Note 11 below.

11) (a) Following are the amounts due to the subsidiaries :

Particulars	**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**
Service Master Clean Ltd	21.16	25.50	42.69	-	-
Total	**21.16**	**25.50**	**42.69**	**-**	**-**

(b) The above loan is taken by company for general business purposes and repayable on demand. It carries interest rate of 8%.

12) List of persons /entities classified as 'promoters' and 'promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

13) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XII - Restated standalone statement of other current liabilities

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Current maturities of long term-borrowings					
Bonds / Debentures	-	-	-	-	2.31
Term loans	197.38	28.40	72.40	72.40	147.56
Hire purchase Vehicle loan	71.62	48.35	35.89	38.62	27.87
Interest accrued but not due on borrowings	13.84	0.22	0.57	0.50	0.81
Unpaid dividends	0.34	53.62	0.23	0.02	2.02
Income received in advance	35.81	18.05	15.58	-	-
Other payables and accruals (Including Related parties payable as per note 18 of annexure XXX)	1,659.02	1,106.48	1,057.09	834.77	804.42
Total	**1,978.01**	**1,255.11**	**1,181.75**	**946.30**	**985.00**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.

2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XIII A - Restated standalone statement of tangible assets

(Amount in Rupees millions unless otherwise stated)

Gross Block

Particulars	Leasehold land	Freehold land	Buildings	Plant and equipment	Office equipment and computers	Furniture and fixtures	Vehicles	Others	Total
As at April 1, 2012	**3.13**	**50.10**	**73.64**	**10.48**	**115.22**	**269.93**	**161.63**	**53.23**	**737.34**
Additions	-	-	-	3.89	33.07	56.97	35.10	19.09	**148.12**
Deletions / adjustments	-	-	-	-	-	-	29.27	-	**29.27**
As at March 31, 2013	**3.13**	**50.10**	**73.64**	**14.36**	**148.29**	**326.89**	**167.45**	**72.32**	**856.19**
Additions	-	-	-	13.57	72.73	58.35	91.74	43.78	**280.17**
Deletions / adjustments	-	-	-	1.21	-	-	19.65	-	**20.86**
As at March 31, 2014	**3.13**	**50.10**	**73.64**	**26.73**	**221.02**	**385.25**	**239.54**	**116.10**	**1,115.50**
Additions	-	-	-	0.19	19.86	84.57	39.44	3.62	**147.68**
Deletions / adjustments	-	-	-	-	-	-	10.60	-	**10.60**
As at March 31, 2015	**3.13**	**50.10**	**73.64**	**26.92**	**240.87**	**469.81**	**268.37**	**119.72**	**1,252.58**
Additions	-	-	131.50	-	86.06	54.41	94.17	3.92	**370.05**
Deletions / adjustments	-	-	-	-	-	-	28.78	-	**28.78**
Reclassifications									**-**
As at March 31, 2016	**3.13**	**50.10**	**205.14**	**26.92**	**326.93**	**524.22**	**333.77**	**123.64**	**1,593.85**
Additions	-	-	-	0.06	201.02	109.98	104.22	8.63	423.91
Deletions / adjustments	-	-	-	-	-	-	33.03	-	33.03
Reclassifications									-
As at March 31, 2017	**3.13**	**50.10**	**205.14**	**26.98**	**527.96**	**634.20**	**404.96**	**132.27**	**1,984.73**

Depreciation

Particulars	Leasehold land	Freehold land	Buildings	Plant and equipment	Office equipment and computers	Furniture and fixtures	Vehicles	Others	Total
As at April 1, 2012	**0.05**	-	**17.37**	**4.65**	**57.69**	**83.16**	**75.42**	**22.64**	**260.99**
Charge for the year	0.05	-	2.81	1.01	16.62	36.22	26.43	6.45	**89.60**
Deletions/Adjustments	-	-	-	-	-	-	20.77	-	**20.77**
As at March 31, 2013	**0.10**	-	**20.18**	**5.67**	**74.31**	**119.38**	**81.08**	**29.09**	**329.81**
Charge for the year	0.05	-	2.67	1.54	21.18	41.52	32.94	8.82	**108.72**
Deletions / adjustments	-	-	-	1.21	-	-	13.23	-	**14.44**
As at March 31, 2014	**0.15**	-	**22.85**	**6.00**	**95.49**	**160.90**	**100.78**	**37.91**	**424.09**
Charge for the year	0.05	-	2.83	4.27	89.34	74.61	55.79	38.16	**265.04**
Deletions / adjustments	-	-	-	-	-	-	8.45	-	**8.45**
As at March 31, 2015	**0.20**	-	**25.69**	**10.27**	**184.83**	**235.50**	**148.12**	**76.07**	**680.68**
Charge for the year	0.05	-	6.03	3.20	50.87	73.01	57.43	15.68	**206.27**
Deletions / adjustments	-	-	-	-	-	-	24.44	-	**24.44**
As at March 31, 2016	**0.25**	-	**31.72**	**13.47**	**235.70**	**308.52**	**181.11**	**91.75**	**862.51**
Charge for the year	0.05		8.76	2.58	71.39	73.48	66.11	9.23	**231.59**
Deletions / adjustments	-	-	-	-	-	-	25.39	-	**25.39**
As at March 31, 2017	**0.29**	-	**40.48**	**16.05**	**307.09**	**382.00**	**221.82**	**100.98**	**1,068.70**

Net Block

Particulars	Leasehold land	Freehold land	Buildings	Plant and equipment	Office equipment and computers	Furniture and fixtures	Vehicles	Others	Total
As at March 31, 2013	**3.03**	**50.10**	**53.46**	**8.70**	**73.97**	**207.51**	**86.37**	**43.23**	**526.38**
As at March 31, 2014	**2.98**	**50.10**	**50.79**	**20.73**	**125.52**	**224.35**	**138.76**	**78.19**	**691.41**
As at March 31, 2015	**2.93**	**50.10**	**47.95**	**16.65**	**56.04**	**234.31**	**120.26**	**43.65**	**571.90**
As at March 31, 2016	**2.88**	**50.10**	**173.43**	**13.45**	**91.24**	**215.71**	**152.65**	**31.89**	**731.34**
As at March 31, 2017	**2.83**	**50.10**	**164.67**	**10.93**	**220.87**	**252.20**	**183.13**	**31.29**	**916.02**

Annexure XIII A - Restated standalone statement of tangible assets

(Amount in Rupees millions unless otherwise stated)

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
2) Other tangible assets includes, the following

Net Block	Air-Conditioner	Television	Livestock	Others	Total
As at March 31, 2013	16.80	2.82	7.41	16.19	43.23
As at March 31, 2014	25.30	24.18	11.68	17.02	78.19
As at March 31, 2015	11.89	11.20	11.82	8.74	43.65
As at March 31, 2016	7.88	5.68	12.05	6.28	31.89
As at March 31, 2017	6.87	5.62	10.85	5.63	28.98

3) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Security and Intelligence Services (India) Limited

Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure XIII B - Restated standalone statement of intangible assets **(Amount in Rupees millions unless otherwise stated)**

Gross Block

Particulars	Computer Software	Total
As at April 1, 2012		
Additions	5.89	**5.89**
Deletions / adjustments	-	-
Acquired through business combinations	-	-
As at March 31, 2013	**5.89**	**5.89**
Additions	4.11	**4.11**
Deletions / adjustments	-	-
As at March 31, 2014	**10.00**	**10.00**
Additions	6.04	**6.04**
Deletions / adjustments	-	-
As at March 31, 2015	**16.04**	**16.04**
Additions	3.66	**3.66**
Deletions / adjustments	-	-
As at March 31, 2016	**19.70**	**19.70**
Additions	35.94	**35.94**
Deletions / adjustments	-	-
Reclassifications	-	-
As at March 31, 2017	**55.64**	**55.64**

Amortization

Particulars	Goodwill	Computer Software	Copyright	Total
As at April 1, 2012				
Charge for the year	-	0.89		**0.89**
Deletions/Adjustments	-	-		-
As at March 31, 2013	-	**0.89**	-	**0.89**
Charge for the year	-	2.08	-	**2.08**
Deletions/Adjustments	-	-	-	-
As at March 31, 2014	-	**2.97**	-	**2.97**
Charge for the year	-	3.00	-	**3.00**
Deletions / adjustments	-	-	-	-
As at March 31, 2015	-	**5.97**	-	**5.97**
Charge for the year	-	4.04	-	**4.04**
Deletions/Adjustments	-	-	-	-
As at March 31, 2016	-	**10.01**	-	**10.01**
Charge for the year	-	**5.39**	-	**5.39**
Deletions / adjustments	-	-	-	-
As at March 31, 2017	-	**15.40**	-	**15.40**

Net Block

Particulars	Computer Software	Total
As at March 31, 2013	**5.00**	**5.00**
As at March 31, 2014	**7.03**	**7.03**
As at March 31, 2015	**10.07**	**10.07**
As at March 31, 2016	**9.69**	**9.69**
As at March 31, 2017	**40.24**	**40.24**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Security and Intelligence Services (India) Limited

Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure XIV - Restated standalone statement of non-current investments

(Amount in Rupees millions unless otherwise stated)

	Particulars	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 (in "000")	Amount	Number (in "000")	Amount	Number (in "000")	Amount	Number (in "000")	Amount	Number (in "000")	Amount
	Trade investments (valued at cost, unless stated otherwise)										
	Unquoted equity instruments										
a.	**Investment in subsidiaries**										
	Equity shares in SIS International Holdings Limited of AUD 1 each fully paid up	4,000.00	249.07	4,000.00	152.73	4,000.00	152.73	4,000.00	152.73	4,000.00	152.73
	Equity shares in Terminix SIS India Private Limited of Rs. 10 each fully paid up	11,252.25	112.52	11,252.25	112.52	11,252.25	112.52	6,751.35	67.51	3,375.68	33.76
	Equity shares in Service Master Clean Limited of Rs. 10 each fully paid up	11,512.80	115.13	11,512.80	115.13	11,512.80	115.13	11,512.80	115.13	11,512.80	115.13
	Equity shares in Tech SIS Limited of Rs. 10 each fully paid up	4,800.00	48.00	4,800.00	48.00	50.00	0.50	50.00	0.50	50.00	0.50
	Equity shares in SIS Australia Group Pty Ltd of AUD 1 each fully paid up	800.00	39.16	800.00	39.16	800.00	39.16	0.00	0.00	0.00	0.00
	Equity shares in Dusters Total Solutions Services Private Limited of Rs 10 each fully paid up	2,205.56	1,176.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Equity shares in SIS Business Support Services and Solutions Private Limited of Rs 10 each fully paid up	10.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Equity shares in SISCO Security Services Private Ltd. of Rs 10 each fully paid up	10.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A)	**34,590.61**	**1,740.56**	**32,365.05**	**467.54**	**27,615.05**	**420.03**	**22,314.15**	**335.87**	**18,938.48**	**302.11**
b.	**Investment in Joint Venture**										
	Equity shares in SIS Cash Services Private Limited of Rs. 10 each fully paid up	7,789.00	77.89	7,789.00	77.89	8,185.00	81.85	8,185.00	81.85	8,185.00	81.85
	Total (B)	**7,789.00**	**77.89**	**7,789.00**	**77.89**	**8,185.00**	**81.85**	**8,185.00**	**81.85**	**8,185.00**	**81.85**
	Non-trade investments (valued at cost, unless stated otherwise)										
	Unquoted equity instruments										
c.	**Investment in associates/Others**										
	Equity shares of Superb Intelligence and Security Private Limited of Rs. 10 each fully paid up	0.00	0.00	4.90	0.05	4.90	0.05	4.90	0.05	4.90	0.05
	Equity shares of Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited of Rs. 10 each fully paid up	0.00	0.00	24.50	0.25	24.50	0.25	24.50	0.25	24.50	0.25
	Equity shares of Mritunjay Educational Foundation Limited of Rs. 10 each fully paid up	0.00	0.00	24.50	0.25	24.50	0.25	24.50	0.25	24.50	0.25
	Equity shares of Shree Katha Chemicals Private Limited of Rs. 100 each fully paid up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.03	1.10
	Equity shares of Rituraj Resorts Limited of Rs. 100 each fully paid up	0.00	0.00	65.00	6.50	65.00	6.50	65.00	6.50	65.00	6.50
	Total (C)	**0.00**	**0.00**	**118.90**	**7.04**	**118.90**	**7.04**	**118.90**	**7.04**	**129.93**	**8.14**
	Total (A+B+C)	**42,379.61**	**1,818.45**	**40,272.95**	**552.47**	**35,918.95**	**508.92**	**30,618.05**	**424.76**	**27,253.41**	**392.10**
	Aggregate amount of unquoted investments		**1,818.45**		**552.47**		**508.92**		**424.76**		**392.10**

Notes:

1) These investments are in the name of the Company.
2) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
3) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure XV - Restated standalone statement of deferred tax assets (net)

(Amount in Rupees millions unless otherwise stated)

Particulars	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					
Differences in depreciation and other differences in block of fixed assets as per tax books and as per financial books	130.96	112.76	84.61	13.66	8.84
Provision for doubtful debts	-	1.82	26.65	33.51	30.76
Employee benefits	126.88	86.43	84.00	50.99	38.21
Unabsorbed long term capital loss	-	-	2.76	2.76	-
Deferred tax assets (A)	**257.84**	**201.01**	**198.02**	**100.93**	**77.80**
Deferred tax liabilities					
Provision for ESOP	-	-	-	0.01	0.02
Deferred tax liabilities (B)	**-**	**-**	**-**	**0.01**	**0.02**
Net deferred tax asset / (liability) (A-B)	**257.84**	**201.01**	**198.02**	**100.92**	**77.79**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XVI - Restated standalone statement of loans and advances

(Amount in Rupees millions unless otherwise stated)

Particulars	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	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Unsecured, considered good										
Capital advances	4.07	-	3.16	-	8.35	-	19.62	-	64.14	-
Security deposits	160.18	-	104.45	-	65.00	-	60.50	-	43.74	-
Loans and advances to related parties (Refer note 1)	-	136.75	-	94.98	-	123.52	-	15.06	-	23.37
Other loans and advances (Unsecured, considered good)										
MAT Credit Entitlement	19.03	-	-	-	-	-	-	-	-	-
Others	-	558.73	-	455.71	-	371.78	-	175.17	-	311.01
Total	**183.28**	**695.49**	**107.61**	**550.69**	**73.35**	**495.30**	**80.12**	**190.23**	**107.87**	**334.38**

Notes:

1) Following are the Loans and advance to Promoters/promoter group/group companies/directors and their relatives/related parties:

Particulars	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	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Subsidiary/ Associate Company	-	61.71	-	38.60	-	123.52	-	15.06	-	23.37
Joint ventures	-	75.04	-	56.38	-	-	-	-	-	-
Enterprises owned or significantly influenced by KMP or their relatives	-	-	-	-	-	-	-	-	-	-
Total	**-**	**136.75**	**-**	**94.98**	**-**	**123.52**	**-**	**15.06**	**-**	**23.37**

2) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.

3) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Security and Intelligence Services (India) Limited

Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure XVII - Restated standalone statement of other assets

(Amount in Rupees millions unless otherwise stated)

Particulars	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
	Current	Current	Current	Current	Current
Others					
Unbilled revenue	1,626.11	1,167.97	935.84	776.74	-
Interest accrued on fixed deposits	5.66	9.77	3.89	0.86	2.27
Dividend receivable on investments	1.29	2.15	-	-	-
Others Debtors and prepayments	110.48	17.91	10.32	6.90	10.14
Advance Income Tax / TDS Receivable	826.18	480.52	251.80	199.32	220.19
Service Tax credit receivable	7.01	10.60	-	-	-
Total	**2,576.73**	**1,688.93**	**1,201.86**	**983.83**	**232.60**

Notes:

1) Unbilled revenue represents income for services rendered for the last month of the financial year for which invoices have been raised on the 1st day of the following month.
2) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
3) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XVIII - Restated standalone statement of inventories

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Uniform and Kit items	-	-	54.20	48.08	31.14
Total	**-**	**-**	**54.20**	**48.08**	**31.14**

Notes:

1) The figures disclosed above are based on the restated standalone summary of statement of assets and liabilities of the Company.

2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XIX - Restated standalone statement of trade receivables

(Amount in Rupees millions unless otherwise stated)

Particulars	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	140.42	108.08	118.82	102.20	101.56
	140.42	**108.08**	**118.82**	**102.20**	**101.56**
Less: provision for doubtful debts	-	-	-	-	-
	140.42	**108.08**	**118.82**	**102.20**	**101.56**
Other receivables					
Unsecured, considered good	1,355.66	855.83	597.58	410.38	866.57
	1,355.66	**855.83**	**597.58**	**410.38**	**866.57**
Total	**1,496.08**	**963.91**	**716.40**	**512.58**	**968.13**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.

2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Security and Intelligence Services (India) Limited

Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure XX - Restated standalone statement of cash and bank balances

(Amount in Rupees millions unless otherwise stated)

Particulars	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 on hand	1.64	0.61	1.27	0.60	0.86
Balances with banks:					
Margin money/Security against borrowings	123.36	100.08	86.61	75.49	70.84
Balance with Scheduled Banks in Deposit Accounts	826.09	37.13	29.48	147.92	2.29
Other balances	91.24	80.81	270.84	193.67	232.84
Total (A)	**1,042.33**	**218.63**	**388.20**	**417.69**	**306.83**
b. Other bank balances					
Unpaid dividend account	0.34	0.23	0.23	14.17	2.02
Total (B)	**0.34**	**0.23**	**0.23**	**14.17**	**2.02**
Cash and bank balances (A+B)	**1,042.67**	**218.86**	**388.42**	**431.86**	**308.85**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.

2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XXI - Restated standalone statement of revenue from operations

(Amount in Rupees millions unless otherwise stated)

Particulars	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 operations					
Sale of services					
Security Services	16,099.26	12,731.60	10,336.20	8,067.13	5,638.25
Cash Logistics	-	-	-	-	-
Training fees	45.74	-	-	-	24.74
Investigation Services	2.59	5.19	4.38	1.91	2.24
Revenue from operations	**16,147.59**	**12,736.78**	**10,340.57**	**8,069.03**	**5,665.23**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Profits and Losses of the Company.
2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XXII - Restated standalone statement of other income

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Other income			`				
Interest income							
- on bank deposits	43.58	13.21	32.04	8.12	2.36	Recurring	Related
- on advances	4.13	6.53	4.24			Non - recurring	Related
Profit/(loss) on sale of investments (net)	-	33.34	-	(1.10)	-	Non - recurring	Non related
Dividend income							
From subsidiaries	2.53	78.49	161.16	164.40	158.61	Non - recurring	Non related
Profit/(loss) on sale of fixed assets (net)	0.18	1.23	0.02	0.40	0.39	Non - recurring	Non related
Profit/(loss) on foreign exchange fluctuations (net)	1.12	(4.41)	10.94	(16.97)	0.14	Non - recurring	Non related
Other non-operating income	-	8.05	13.90	21.06	-	Non - recurring	Non related
Total	**51.53**	**136.44**	**222.30**	**175.91**	**161.50**		

Notes :

1) The figures disclosed above are based on the restated standalone summary of Statement of Profits and Losses of the Company.
2) The classification of other income as recurring/non recurring and related /not related to business activity is based on the current operations and business activities of the Company as determined by the management.
3) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XXIII - Restated standalone statement of employee benefits expenses

Particulars	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, wages and bonus	11,717.92	9,300.72	7,780.61	5,917.98	4,019.21
Contribution to provident and other funds	2,421.01	1,789.58	1,258.87	969.54	664.18
Employee stock option compensation expense	63.65	35.70	32.12	-	-
Staff welfare expenses	201.74	218.05	76.87	67.05	28.87
Total	**14,404.32**	**11,344.05**	**9,148.47**	**6,954.57**	**4,712.25**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Profits and Losses of the Company.

2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XXIV - Restated standalone statement of finance costs

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Interest expense					
- on borrowings	444.69	186.98	222.71	117.08	140.31
Other borrowing costs	71.96	12.94	23.33	6.43	-
Bank charges	11.919	6.69	5.40	4.99	6.67
Total	**528.57**	**206.61**	**251.43**	**128.50**	**146.99**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Profits and Losses of the Company.

2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XXV - Restated standalone statement of other expenses

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Rent	20.59	33.56	15.09	53.77	60.84
Training expenses	0.88	1.06	1.44	2.03	2.01
Consumption of uniform and kit items	37.11	31.18	9.04	23.79	34.18
Freight and cartage	1.18	3.41	4.62	4.56	3.83
Recruitment expenses	38.45	25.91	0.97	0.69	0.15
Seminar and symposium	-	-	-	14.25	9.76
Seminar participation fee	-	-	-	1.26	0.71
Repairs and maintenance					
- Plant and machinery	4.11	4.21	4.34	9.35	4.90
- Building	0.77	2.17	1.52	1.81	6.36
- Others	9.14	6.31	6.21	7.01	6.05
Insurance	24.12	19.24	17.46	11.27	9.12
Rates and taxes	4.86	8.00	2.52	5.40	3.61
Postage and telephone	36.01	33.10	34.72	28.86	25.44
Printing and stationery	11.77	14.81	14.03	10.16	14.22
Travelling and conveyance	210.84	194.84	190.67	154.84	114.40
Vehicle hire charges	38.01	44.80	24.96	19.76	14.83
Business promotion	0.33	0.22	0.30	5.40	5.64
Tender fees	2.57	1.49	1.82	0.62	0.53
Legal and professional fees	82.64	63.57	50.21	46.60	33.28
Advertisement expenses	6.47	10.25	5.92	4.67	3.95
Director's travelling expenses	2.43	4.28	35.33	7.66	5.06
Auditors' remuneration					
As auditor:					
- Audit fee	0.90	1.15	0.50	0.50	0.33
- Other services	1.50	1.33	1.11	1.69	0.88
Bad debts & advances written off	129.38	69.61	144.27	137.88	90.71
Less: Bad debts written off against opening provision	-	-	-	-	-
	129.38	69.61	144.27	137.88	90.71
Preliminary/Pre-operative expenses written off	1.62	1.62	-	-	-
Corporate social responsibility expenses (Refer note 10 of Annexure XXX)	16.92	9.26	8.57	-	-
Other Administration and General Expenses	106.91	41.50	37.52	27.64	23.02
Total	**789.54**	**626.87**	**613.15**	**581.47**	**473.82**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Profits and Losses of the Company.

2) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XXVI - Restated standalone statement of accounting ratios

(Amount in Rupees millions unless otherwise stated)

Particulars		**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/ (loss) per share in INR	A/D	3.87	4.93	3.62	4.88	4.45
Diluted earnings/ (loss) per share in INR	B/E	3.79	4.91	3.62	4.88	4.40
Return on net worth % (Refer Note 1(c) below)	A/C	15.50%	26.23%	20.23%	29.80%	41.38%
Net asset value per equity share (Rs.) (Refer Note 1(d) below)	C/F	24.94	18.80	17.89	16.38	10.75
Net profit/(loss) after tax as restated attributable to equity shareholders	A	265.54	335.65	246.38	332.15	298.93
Net profit/(loss) after tax, as restated	B	265.54	335.65	246.38	332.15	298.93
Net worth at the end of the year excluding preference share capital	C	1,713.37	1,279.68	1,217.81	1,114.60	722.47
Weighted average number of equity shares outstanding during the year, used for:						
Basic earnings/ (loss) per share (refer note no 5)	D	68,680,867	68,074,270	68,060,859	68,044,245	67,216,049
Diluted earnings/ (loss) per share (refer note no 5)	E	70,062,029	68,306,193	68,101,355	68,054,241	67,921,695
Total number of equity shares outstanding at the end of the year	F	68,702,964	68,085,859	68,060,859	68,060,859	67,216,049

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings/ (loss) per share (Rs.) = $\frac{\text{Net profit/(loss) after tax, as restated attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

(b) Diluted earnings/(loss) per share(Rs.) = $\frac{\text{Net profit/(loss) after tax as restated}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$

(c) Return on net worth (%) = $\frac{\text{Net Profit after tax (after preference dividend and related tax) as restated}}{\text{Net worth at the end of the year excluding preference share capital and cumulative preference dividend}}$

(d) Net asset value per equity share (Rs.) = $\frac{\text{Net worth at the end of the year excluding preference share capital and cumulative preference dividend}}{\text{Total number of equity shares outstanding at the end of year}}$

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.

3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.

4) Net worth for ratios mentioned in note 1(c) and 1(d) = Equity share capital + Reserves and surplus (including Securities Premium and Surplus in statement of profit and loss)+Share application money pending allotment.

5) On July 27, 2016, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 10 (ten) Bonus Equity Shares of Rs. 10 each for every equity share of Rs. 10 each held by the members as on August 20,2016 including for all shares which may arise out of exercise of employee stock options and on conversion of CCDs. Subsequently, at a meeting of the board held on September 1, 2016, the Company decided to change the record date for the issue of bonus shares from August 20,2016 to September 15, 2016. As on this date, viz., September 15, 2016, a total of 6,245,724 equity shares were issued and paid up. On September 21, 2016, the Company issued and allotted 62,457,240 bonus equity shares of Rs. 10 each and, accordingly, a sum of Rs. 624.57 million was capitalised, on allotment of the bonus shares, out of the Company's General reserves outstanding as on March 31, 2016 and was transferred to the Share Capital Account towards issue of fully paid-up bonus shares pursuant to which the paid-up equity share capital of the Company increased from Rs. 62.46 million to Rs. 687.03 million.

6) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.

7) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Security and Intelligence Services (India) Limited

Notes to the Restated Standalone Financial Information of Security and Intelligence Services (India) Limited

Annexure XXVII - Restated standalone statement of capitalisation

(Amount in Rupees millions unless otherwise stated)

Particulars	**Pre-Issue as at March 31, 2017**	**As adjusted for offer***
Debt		
Short term borrowings	1,811.04	
Long term borrowings	2,729.90	
Current portion of long term borrowings included in other current liabilities	269.00	
Total debt (A)	**4,809.95**	**-**
Shareholders' funds		
Share capital	687.03	
Reserves and surplus as restated		
General reserve	190.43	
Securities premium account	493.77	
Employee stock options outstanding account	75.81	
Surplus/(deficit) in the statement of profit and loss	266.34	
Total shareholders' funds (B)	**1,713.37**	**-**
Total Debt/ equity ratio (A/B)	**2.81**	

Notes:

*1) The Post offer debt equity ratio will be computed on the conclusion of book building process" as part of column "Adjusted for the offer.

2) Since July 27, 2016 the issued share capital was increased from Rs. 62.46 million to Rs. 687.03 million by the issue of bonus shares in the ratio of 10 equity shares for every 1 equity share held.

3) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.

4) Pursuant to the Investment Agreement, Theano held 1,727,485 CCDs and AAJV held 34,895 CCDs. Pursuant to the Second Amendment Agreement, the CCDs will be converted to 22 Equity Shares (of which 11 Equity Shares will be allotted to each of Theano and AAJV) prior to the filing of the Red Herring Prospectus with the RoC. Further, 11,264 equity shares has been allotted on 20 June, 2017, pursuant to exercise of vested options outstanding as on the said date. Accordingly, prior to the filing of the Red Herring Prospectus with the RoC, the issued and subscribed share capital of the Company was Rs. 687,143,530 consisting of 68,714,353 Equity Shares; and the paid up share capital of the Company was Rs. 687,142,280, consisting of 68,714,228 Equity Shares

5) The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX.

Annexure XXVIII: Restated standalone statement of tax shelter

(Amount in Rupees millions unless otherwise stated)

	Particulars	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	**Profit/(loss) before tax, as restated**	**239.72**	**490.64**	**304.11**	**469.60**	**403.18**
	Less: Non Operating income					
	Dividend from Subsidiary	2.53	78.49	161.16	164.40	158.61
	Profit on sale of investments	-	33.34	-	-	-
	Net Business taxable Income	**237.19**	**378.81**	**142.95**	**305.20**	**244.57**
B	Tax rate	34.61%	34.61%	33.99%	33.95%	32.45%
C	Tax thereon at above rates (C=A*B)	82.09	131.10	48.59	103.62	79.35
D	**Permanent Differences**					
	Interest on TDS deposited late	-	0.03	-	-	-
	Provision for Wealth Tax	-	-	0.07	-	-
	Penalty debited to profit and loss	-	0.09	-	0.89	0.02
	Prior period expenses	-	-	-	(0.05)	0.10
	Deduction under section 80G of the Income Tax Act	-	(0.20)	-	(0.30)	-
	Deduction under section 80jjaa of the Income Tax Act	(328.71)	-	-	-	-
	Deferred revenue expenditure written off	1.62	1.62	-	-	(0.43)
	Urealised Foreign exchange loss / Gain	-	4.41	(10.94)	17.22	(0.14)
	Corporate social responsibility expense	14.10	9.26	2.81	-	-
	Profit on sale of fixed assets	(0.18)	(1.23)	(0.02)	(0.40)	(0.39)
	Total Permanent Differences	**(313.16)**	**13.98**	**(8.07)**	**17.36**	**(0.85)**
E	**Timing Differences**					
	Differences in depreciation and other differences in block of fixed assets as per tax books and as per financial books	52.66	78.10	140.72	14.18	16.96
	Employee Benefit	116.87	2.29	97.28	37.70	40.10
	Provision for diminution in value of investments	-	-	-	12.20	-
	Bad debt written off	(5.26)	(78.45)	(20.25)	8.10	(1.76)
	Re-stated items adjusted with Reserve and surplus	-	-	-	-	-
	Total Timing Differences	**164.27**	**1.93**	**217.76**	**72.18**	**55.31**
F	**Total adjustments (D + E)**	(148.89)	16.32	209.69	90.14	54.47
	Tax on adjustments (F*B)	(51.53)	5.65	71.27	30.60	17.67
	Tax liability on Non Operating Income	0.45	15.98	27.39	26.36	18.46
G	**Current Tax for the year**	**31.01**	**152.72**	**147.25**	**160.58**	**115.49**
	As per restated financials					
	Current tax (after MAT Credit Entitlement)	31.01	152.72	147.25	160.58	115.49
	Deferred tax	(56.84)	(2.98)	(89.52)	(23.13)	(11.24)
	Total tax expense as per restated financials	**(25.82)**	**149.74**	**57.74**	**137.45**	**104.25**

Notes:

1) The permanent and timing differences for the period ended March 31, 2017, and the years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 have been computed based on the tax computations of the Income tax returns of the respective years.
2) Tax rate includes applicable surcharge, education cess and higher education cess for the year concerned.

Annexure XXIX – Restated standalone statement of dividend declared

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Issued number of shares (in '000)	68,702.96	6,200.16	6,175.16	6,175.16	5,330.35
Face value per share in INR	10.00	10.00	10.00	10.00	10.00
Rate of final dividend	0%	0%	0%	0%	0%
Rate of interim dividend	0.00%	436.14%	260.00%	351.38%	195.06%
Amount of interim dividend	0.00	270.41	160.55	216.98	103.97
Dividend tax on interim dividend	-	39.32	-	9.11	16.87

1 Leases

Operating Lease - Company as lessee

The Company has taken office premises and barracks under cancellable operating lease agreements. All the lease agreements are cancellable with a notice period ranging from 2 months to 6 months. There are no restrictions imposed by the lease agreements. There are no sub leases. The total lease rentals recognised as an expense in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Lease rentals	217.265	179.42	146.08	130.89	55.69

2 Contingent liabilities

(Amount in Rupees millions unless otherwise stated)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Guarantees and bond issued on behalf of the company	536.43	246.91	305.78	229.29	109.93
Guarantees given by the Company	2646.30	2,561.23	200.00	2,304.74	2,262.72
Others for which the Company is contingently liable	2.74	1.37	1.15	1.20	0.92
Claims against the Company not acknowledged as debts	33.75	33.66	25.36	23.38	14.82
	3,219.21	**2,843.17**	**532.29**	**2,558.61**	**2,388.38**

March 31, 2013

(i) Bank guarantees issued by the bank on behalf of the Company. (These include bank guarantees amounting to Rs. 0.654 millions (previous year March 31, 2012 Rs. 62.65 millions) issued on behalf of the erstwhile Cash Management Services division, which was hitherto owned by the Company, and which was demerged / transferred by the Company in the year ended March 31, 2012, through a slump sale arrangement on a going concern basis to SIS Cash Services Pvt Ltd, a subsidiary of the Company. These guarantees will continue as such till their expiry, after which these will be issued under a separate arrangement with the banks by SIS Cash Services Pvt Ltd.).

3 Gratuity plan:

The Company has a defined benefit gratuity plan. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The scheme is funded with LIC Insurance.

The following tables summarises the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the statement of assets and liabilities:

(Amount in Rupees millions unless otherwise stated)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Statement of profit and loss					
Net employee benefit expense recognized in employee cost					
Current service cost	61.63	47.89	37.01	25.60	15.95
Interest cost on benefit obligation	24.82	20.89	17.41	11.62	8.26
Expected return on plan assets	(4.85)	(4.26)	(3.45)	(2.61)	(1.96)
Net actuarial (gain)/ loss recognized in the year	34.38	5.69	5.09	13.99	21.74
Net benefit expense	**115.98**	**70.20**	**56.05**	**48.60**	**43.99**
Actual return on plan assets					
Expected return on plan assets	4.85	4.26	3.45	2.61	1.96
Actuarial gain/(loss) on plan assets	(2.64)	(0.86)	(2.94)	(1.25)	1.34
Actual return on plan assets	**2.21**	**3.40**	**0.51**	**1.36**	**3.29**
Statement of assets and liabilities					
Benefit liability					
Present value of defined benefit obligation	408.59	310.12	242.61	187.17	137.21
Fair value of plan assets	130.48	90.99	75.47	59.39	43.03
Plan liability	**(278.11)**	**(219.13)**	**(167.14)**	**(127.78)**	**(94.19)**
Changes in the present value of the defined benefit obligation are as follows:					
Opening defined benefit obligation	310.12	242.61	187.17	137.21	92.42
Interest cost	24.82	20.89	17.41	11.62	8.26
Current service cost	61.63	47.89	37.01	25.60	15.95
Benefits paid	(19.72)	(6.09)	(1.12)	-	(2.49)
Actuarial (gain)/ loss on obligation	31.74	4.83	2.15	12.74	23.08
Closing defined benefit obligation	**408.59**	**310.12**	**242.61**	**187.17**	**137.21**
Changes in the fair value of plan assets are as follows:					
Opening fair value of plan assets	90.99	75.47	59.39	43.03	36.91
Expected return on plan assets	4.85	4.26	3.45	2.61	1.96
Contributions by employer	57.00	18.21	16.70	15.00	5.32
Benefits paid	(19.72)	(6.09)	(1.12)	-	(2.49)
Actuarial gain/ (loss)	(2.64)	(0.86)	(2.94)	(1.25)	1.34
Closing fair value of plan assets	**130.48**	**90.99**	**75.47**	**59.39**	**43.03**
Expected contribution by Company to gratuity in the next year as at the respective year ends	60.00	20.00	18.21	16.70	15.00

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:					
LIC Insurance	100%	100%	100%	100%	100%
The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:					
Discount rate	6.55%	7.40%	7.95%	8.60%	7.90%
Expected rate of return on plan assets	7.50%	7.50%	7.50%	7.50%	7.50%
Salary growth rate					
- Billing	5.00%	5.00%	5.00%	5.00%	5.00%
- Non billing	8.00%	8.00%	8.00%	8.00%	8.00%
Rates of leaving service at specimen ages are as shown below:					
For Billing Employee					
Age:					
21-30	40%	40%	40%	40%	40%
31-34	35%	35%	35%	35%	35%
35-40	30%	30%	30%	30%	30%
41-45	25%	25%	25%	25%	25%
46-59	20%	20%	20%	20%	20%
For Non-Billing Employee					
21-30	15%	15%	15%	15%	15%
31-40	13%	13%	13%	13%	13%
41-50	11%	11%	11%	11%	11%
51 & Above	9%	9%	9%	9%	9%
Retirement Age (years)	60 - 70	60 - 70	60 - 70	60 - 70	60 - 70
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current and previous four periods are as follows:

(Amount in Rupees millions unless otherwise stated)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	408.59	310.12	242.61	187.17	137.21
Plan assets	130.48	90.99	75.47	59.39	43.03
Surplus / (deficit)	(278.11)	(219.13)	(167.14)	(127.78)	(94.19)
Experience adjustments on plan assets	(2.64)	(0.86)	(2.94)	(1.25)	1.34
Experience adjustments on plan liabilities	16.14	(2.35)	(4.80)	18.81	18.18

As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

4 Employee stock option plans

March 31, 2013

(i) In 2008, the Company had announced an Employee Stock Option Plan (ESOP 2008) under which 59,000 options were granted to 59 employees and the said options were to vest over a period of three years. During the year 2009-10 the ESOP remuneration committee had allotted 14,498 shares to 57 employees under the said scheme. Further, another 11,350 shares were allotted to 54 employees in year 2010-11 and another 28,625 shares were allotted to 55 employees in the year 2011-12. The balance of the options forfeited or lapsed under the terms of the plan.

(ii) In 2011, the Company announced another Employee Stock Option Plan (ESOP 2011) under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year 2011-12, the ESOP remuneration committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP remuneration committee announced the vesting of 11,511 options to eligible employees and the remaining 1,365 options have either lapsed or been forfeited in terms of the plan. The options, which vested in the year ended March 31, 2013, are now exercisable by the employees over a period of three years subject to certain conditions being fulfilled.

March 31, 2014

(i) In 2011, the Company announced another Employee Stock Option Plan (ESOP 2011) under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year 2011-12, the ESOP remuneration committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP remuneration committee announced the vesting of 11,511 options to eligible employees and the remaining 5,613 options have either lapsed or been forfeited in terms of the plan. Further, during the year ended March 31, 2014, 259 options of employees, who have left the Company, have been forfeited. The remaining 11,252 options to 207 employees, which vested in the year ended March 31, 2012, are now exercisable by the employees over a period of two years subject to certain conditions being fulfilled.

March 31, 2015

(i) In 2011, the Company announced another Employee Stock Option Plan (ESOP 2011) under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year 2011-12, the ESOP remuneration committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP remuneration committee announced the vesting of 11,511 options to eligible employees and the remaining 5,613 options have either lapsed or been forfeited in terms of the plan. Further, during the year ended March 31, 2014, 259 options of employees, who have left the Company, have been forfeited and during the year ended March 31, 2015, a further 535 options, in respect of employees who have left the Company, have been forfeited. The remaining 10,717 options to 197 employees, which vested in the year ended March 31, 2013, are now exercisable by the employees over a period of two years subject to certain conditions being fulfilled.

(ii) In 2014, the ESOP remuneration committee announced another Employee Stock Option Plan (ESOP 2014) under which a total of 30,500 options were granted to 4 employees including one employee of a subsidiary in the Group. The said 30,500 options are to vest in tranches over terms ranging from 12 months to 50 months from the date of the grant.

March 31, 2016

In 2011, the Company announced the grant of stock options under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year ended March 31, 2012, the ESOP Remuneration Committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP Remuneration Committee announced the vesting of 11,511 options to eligible employees and the remaining 5,613 options either lapsed or were forfeited in terms of the plan. During the year ended March 31, 2014, 2015 and 2016, out of the options vested during the year ended March 31, 2103; 259 options, 535 options and 362 options have been forfeited respectively during the years in respect of employees who have resigned from the company. The remaining 10,355 options to 185 employees, which vested in the year ended March 31, 2013, are now exercisable by the employees over a period of two years subject to certain conditions being fulfilled.

Subsequently in 2014, the ESOP Remuneration Committee announced another grant under which a total of 30,500 options were granted to 4 employees including one employee of a subsidiary in the Group. Against which 25,000 shares were allotted during the year ended March 31, 2016. The remaining 5,500 options are to vest in tranches over the next 3 years. A further 3,500 options were granted by the ESOP Remuneration Committee in 2015 which is to vest in the year ended March 31, 2017 and available for exercisable within one year of vesting.

March 31, 2017

ESOP 2008

In 2011, the Company announced a grant of stock options under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year ended March 31, 2012, the ESOP Remuneration Committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP Remuneration Committee announced the vesting of 11,511 options to eligible employees and the remaining 5,613 options either lapsed or were forfeited in terms of the plan. During the year ended March 31, 2014, 2015 & 2016 a further 259 options, 535 Options and 362 options respectively in respect of employees who have left the company, have been forfeited. The remaining 10,355 options to 185 employees, which vested in the year ended March 31, 2013, are now exercisable by the employees over a period of two years subject to certain conditions being fulfilled.

In 2014, the ESOP Remuneration Committee announced another grant under which a total of 30,500 options were granted to 4 employees including one employee of a subsidiary in the Group. Against that 25,000 and 1,500 shares were allotted during the year ended March 31, 2016 and the year ended March 31, 2017 respectively. The remaining 4,000 options are to vest in tranches over the next 2 years.

In 2015, the ESOP Remuneration Committee announced another grant under which a total of 3,500 options were granted which were vested and exercised during the year ended March 31, 2017.

In 2016, the ESOP Remuneration Committee announced another grant under which a total of 2,096 options were granted which will vest and be exercised over a period of four years from the date of the grant.

ESOP 2016

In 2016, the ESOP Remuneration Committee announced ESOP 2016 under which it granted a total of 1,216,000 options which will vest over a period of four years from the date of the grant. 10%, 20%, 30% and 40% of vested options will be eligible for exercise after August 1, 2020 subject to fulfilment of certain conditions.

All options under ESOP 2008 will now be governed by the terms of ESOP 2016 except in respect of vesting and exercise which will still be governed by the terms mentioned in the respective grant letters. The options granted under ESOP 2008 will be adjusted for the bonus issue in September 2016 when the same are exercised by the option holders.

Particulars	Plan I (ESOP 2008)					
	Grant I	**Grant II**	**Grant III (a)**	**Grant III (b)**	**Grant IV**	**Grant V**
Year of grant	2008	2011	2014	2014	2015	2016
Number of options granted	59,000	30,000	10,500	20,000	3,500	2,096
Method of settlement (Cash/Equity)	Equity	Equity	Equity	Equity	Equity	Equity
Date of grant	28-Oct-08	14-Jan-11	01-Jul-14	29-Sep-14	01-Apr-15	04-Apr-16
Vesting period	28 October 2009, 28 October 2010, 28 October 2011	28 October 2011, 28 October 2012	1 July 2015, 1 September 2016, 1 September 2016, 1 September 2017, 1 September 2018	28 October 2015	1 April 2016, 1 September 2016	4 April 2017, 4 April 2018, 4 April 2019, 4 April 2020
Other vesting conditions	Performance conditions	Performance conditions	Performance conditions	Nil	Performance conditions	Performance conditions
Other conditions	-	-	-	Shares with restricted transferability upto 5 years from date of issue	-	-
Exercise period	One month from date of vesting	Till 31 31 March 2018	One month from date of vesting	Three months from date of vesting	One month from date of vesting	One year from the date of each vesting
Exercise price	Rs. 10	Rs. 10	Rs. 10	Rs. 10	Rs. 10	Rs. 10
Fair value of options at the time of grant	64.94	133.51	2,086.09	1,632.87	2,215.24	2245.89

Particulars	**Plan II (ESOP 2016)**
	Grant VI
Year of grant	2016
Number of options granted	1,216,000
Method of settlement (Cash/Equity)	Equity
Date of grant	1-Aug-16
Vesting period	1 Aug 2017, 1 Aug 2018, 1 Aug 2019, 1 Aug 2020.
Other vesting conditions	Performance conditions
Other conditions	-
Exercise period	Immediately post vesting at prevailing market price; or from 1 August 2020 to 1 August 2022
Exercise price	Rs. 10
Fair value of options at the time of grant	190.81

The details of activities under ESOP 2008 option (Grant II) are summarized below:

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Options outstanding at the beginning of the year	10,355	10,717	11,252	11,511	12,876
Granted during the year	-	-	-	-	-
Forfeited during the year	361	362	535	259	1,365
Exercised during the year	-	-	-	-	-
Options outstanding at the end of the year	9,994	10,355	10,717	11,252	11,511
Exercisable at the end of the year					

The Company has granted 30500 options during the year 2014-15 (Grant III a and III b). The details of activities under Grant III a and III b are summarized below:

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Options outstanding at the beginning of the year	5,500	30,500	-	-	-
Granted during the year	-	-	30,500	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	1,500	25,000	-	-	-
Options outstanding at the end of the year	4,000	5,500	30,500	-	-
Exercisable at the end of the year					

The details of activities under ESOP 2008 option (Grant IV) are summarized below:

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Options outstanding at the beginning of the year	3,500	-	-	-	-
Granted during the year	-	3,500	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	3,500	-	-	-	-
Options outstanding at the end of the year	-	3,500	-	-	-
Exercisable at the end of the year					

The details of activities under ESOP 2008 option (Grant V) are summarized below:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Options outstanding at the beginning of the year	-	-	-	-	-
Granted during the year	2,096	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	-	-
Options outstanding at the end of the year	2,096	-	-	-	-
Exercisable at the end of the year					

The details of activities under ESOP 2016 option (Grant VI) are summarized below:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Options outstanding at the beginning of the year	-	-	-	-	-
Granted during the year	1,216,000	-	-	-	-
Forfeited during the year	11,850	-	-	-	-
Exercised during the year	-	-	-	-	-
Options outstanding at the end of the year	1,204,150	-	-	-	-
Exercisable at the end of the year					

The details of weighted average remaining contractual life (in years) are summarized below:

Particulars	As at March 31, 2017	As at March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
ESOP 2008 Option (Grant I)	-	-	-	-	-
ESOP 2011 Option (Grant II)	-	2.00	2.00	2.00	3.00
ESOP 2014 Option (Grant IIIA)	-	1.56	1.56	-	-
ESOP 2014 Option (Grant IIIB)	-	-	0.71	-	-
ESOP 2015 Option (Grant IV)	-	0.16	-	-	-
ESOP 2008 Option (Grant V)	3.00	-	-	-	-
ESOP 2016 Option (Grant VI)	5.00	-	-	-	-

Weighted Average Exercise Price:
Since all the options were granted at an exercise price of INR 10/- per option, the weighted average exercise price per option is the same.

The Company has adopted intrinsic value method as permitted by the Guidance Note on Accounting for Employee Share Based Payments issued by The Institute of Chartered Accountants of India in respect of stock options granted. The value of underlying shares has been determined by an independent valuer. Employee stock option compensation expense is recognised on a straight line basis over the requisite service period of the entire award in accordance with alternative accounting treatment specified in the aforesaid Guidance Note.

The Company's net profit and earnings per share would have been as under, had the compensation cost for employees' stock options been recognised on the fair value at the date of grant in accordance with Black-Scholes Model.

(Amounts in Rupees Millions unless otherwise stated)

Particulars	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
Profit after tax as restated	265.54	335.65	246.38	332.15	298.93
Add: ESOP cost using the intrinsic value method	63.65	35.70	32.12	(0.00)	-
Less: Income tax expense thereon	(22.03)	(12.35)	(10.92)	0.00	-
Less: ESOP cost using the fair value method	58.57	29.02	22.19	(0.03)	0.74
Less: Income tax expense thereon	(20.27)	(10.04)	(7.53)	0.01	(0.24)
Proforma profit after tax	**268.86**	**340.02**	**252.93**	**332.17**	**298.43**
Earnings Per Share					
Basic					
- Number of shares	68,680,867	68,074,270	68,060,859	68,044,245	67,216,049
- As reported	3.87	4.93	3.62	4.88	4.45
- Proforma	3.91	4.99	3.72	4.88	4.44
Diluted					
- Number of shares	70,062,029	68,306,193	68,101,355	68,054,241	67,921,695
- As reported	3.79	4.91	3.62	4.88	4.40
- Proforma	3.84	4.98	3.71	4.88	4.39

Following assumptions were used for calculation of fair value of options as at the date of grant:

2011 option (Grant II)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	2.00%	2.00%	2.00%	2.00%	2.00%
Expected volatility	27.04%	27.04%	27.04%	27.04%	27.04%
Risk-free interest rate	7.53%	7.53%	7.53%	7.53%	7.53%
Weighted average share price (Rs.)	146.40	146.40	146.40	146.40	146.40
Exercise price (Rs.)	10.00	10.00	10.00	10.00	10.00
Expected life of options granted in years	1.33	1.33	1.33	1.33	1.33

2014 option (Grant III (a))

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	1.75%	1.75%	1.75%	0.00%	0.00%
Expected volatility	26.44%	26.44%	26.44%	0.00%	0.00%
Risk-free interest rate	8.23%	8.23%	8.23%	0.00%	0.00%
Weighted average share price (Rs.)	2180.00	2180.00	2180.00	-	-
Exercise price (Rs.)	10.00	10.00	10.00	-	-
Expected life of options granted in years	2.30	2.30	2.30	-	-

2014 option (Grant III (b))

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	1.75%	1.75%	1.75%	0.00%	0.00%
Expected volatility	21.08%	21.08%	21.08%	0.00%	0.00%
Risk-free interest rate	8.35%	8.35%	8.35%	0.00%	0.00%
Weighted average share price (Rs.)	1677.00	1,677.00	1,677.00	-	-
Exercise price (Rs.)	10.00	10.00	10.00	-	-
Expected life of options granted in years	1.21	1.21	1.21	-	-

2014 option (Grant IV)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	1.75%	1.75%	0.00%	0.00%	0.00%
Expected volatility	23.15%	23.15%	0.00%	0.00%	0.00%
Risk-free interest rate	7.84%	7.84%	0.00%	0.00%	0.00%
Weighted average share price (Rs.)	2,270.00	2,270.00	-	-	-
Exercise price (Rs.)	10.00	10.00	-	-	-
Expected life of options granted in years	1.16	1.16	-	-	-

2016 option (Grant V)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	1.75%	0.00%	0.00%	0.00%	0.00%
Expected volatility	26.62%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate	7.21%	0.00%	0.00%	0.00%	0.00%
Weighted average share price (Rs.)	2,180.00	-	-	-	-
Exercise price (Rs.)	10.00	-	-	-	-
Expected life of options granted in years	3.00	-	-	-	-

2016 option (Grant VI)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Dividend yield (%)	1.75%	0.00%	0.00%	0.00%	0.00%
Expected volatility	29.18%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate	7.10%	0.00%	0.00%	0.00%	0.00%
Weighted average share price (Rs.)	215.91	-	-	-	-
Exercise price (Rs.)	10.00	-	-	-	-
Expected life of options granted in years	5.00	-	-	-	-

Notes:

(i) Since the shares of the Company are unlisted, volatility is based on historical volatility of comparable companies.

(ii) Expected life of options is based on average of time till vesting and total term of the options. For this purpose, each vest has been considered separately and thereafter a weighted average has been calculated.

5 Interest in joint venture

As at March 31, 2017, the Company held 49% stake (March 31, 2016 : 49%) in SIS Cash Services Private Limited, a jointly controlled entity, which is engaged in the business of Cash-in-transit, ATM cash replenishment activities.

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity as at the respective year ends are as follows:

(Amount in Rupees millions unless otherwise stated)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Interest held in joint venture					
Current assets	853.01	700.60	-	-	-
Non-current assets	736.16	667.72	-	-	-
Current liabilities	700.44	502.90	-	-	-
Non-current liabilities	241.28	165.69	-	-	-
Equity	647.46	699.73	-	-	-
Revenue	1,656.52	255.70	-	-	-
Employee benefit expense	807.06	106.21	-	-	-
Depreciation of plant and machinery	59.83	12.87	-	-	-
Finance cost	51.28	0.70	-	-	-
Other expense	816.33	118.36	-	-	-
Profit before tax	(77.97)	**17.56**	-	-	-
Income-tax expense	(25.70)	2.44			
Profit after tax	**(52.28)**	**15.12**	-	-	-

During the financial year 2016-17, there are several legal cases initiated by or against the Company which are pending in the different labour and civil courts. However, as per the legal opinions obtained, the management of the Company is of the view that no liability would accrue on the Company on account of any such cases. Accordingly, no provision has been made in the books of account for the same.

6 Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006.

To the extent of information available, the Company has no overdue amounts outstanding to any small scale industry.

7 Expenditure in foreign currency (accrual basis)

(Amount in Rupees Thousands unless otherwise stated)

Particulars	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
Travelling and conveyance expenses	9.94	1.90	3.36	3.77	2.12
Membership Fees	0.41	0.21	-	-	-
Professional fees	18.02	0.57	-	-	-
Interest paid	30.41	-	-	-	-
	58.79	**2.67**	**3.36**	**3.77**	**2.12**

8 Earnings in foreign currency (accrual basis)

(Amount in Rupees Thousands unless otherwise stated)

Particulars	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
Fees for investigation works	0.00	0.00	0.62	0.00	0.00
	0.00	**0.00**	**0.62**	**0.00**	**0.00**

9 March 31, 2013

MSS Security Pty Ltd is a wholly owned subsidiary of the Company. It had declared an incentive scheme for its employees. Under this scheme, if the management of the Company so decides, instead of cash, share options in Security & Intelligence Services (India) Limited could be issued to the employees of SIS MSS Security Holding Pty Ltd covered under this scheme. In case share options in the Company were to be issued under this scheme, MSS Security Pty Ltd had to pay to the Company the value of such shares. A charge had been created in the previous years against this transaction and accordingly a sum of Rs. 67.74 millions was treated as MSS Staff Incentive Liability which was to be transferred to Share Capital and Share Premium Account in the event share options were to be issued to those employees. However, during financial year 2012-13, MSS Security Pty Limited has decided to settle payments under this scheme in cash and has paid the respective amounts to those employees who were covered under this scheme.

10 Corporate Social Reasonability (CSR)

A CSR committee has been formed by the Company during the year 2014-15 to monitor CSR related activities. The Company has contributed during the year ended March 31, 2017, a sum of Rs. 16.92 million, during the year ended March 31, 2016 a sum of Rs 9.26 million and during the year ended March 31, 2015, a sum of Rs 8.57 million out of the total contributable amount for the year ended March 31, 2017 Rs. 7.06 million, for the year ended March 31, 2016 of Rs 8.91 millions and for the year ended March 31, 2015 Rs.7.75 millions in accordance with section 135 read with schedule VII to the Companies Act, 2013.

11 Payment to political parties

(Amount in Rupees millions unless otherwise stated)

Payments made by the Company to political parties in accordance with section 182 of Companies Act, 2013 or under section 293A of the Companies Act, 1956, during the year are as follows:

Particulars	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
Bharatiya Janta Party (Included under the head Other administrative and general expenses in **ann-XXVI** "other expenses")	-	0.20	6.00	-	-

12 Disclosure on Specified Bank Notes (SBN's)

During the year end March 31, 2017, the Company had specified bank notes or other denomination note as required in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November, 8 2016 to December,30 2016. The denomination wise SBN's and other notes as per the notification is given below:

Particulars	SBN's	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	127.52	0.84	128.36
Add: Permitted receipts	-	34.87	34.87
Less: Permitted payments	1.18	15.32	16.51
Less: Amount deposited in Banks	126.34	17.42	143.75
Closing cash in hand as on December 30, 2016	**(0.00)**	**2.97**	**2.97**

13 Demerging Businesses:

The board of directors have, by resolutions dated September 20, 2016, November 11, 2016 and December 16, 2016, approved a composite scheme of arrangement under sections 391 to 394 of the Companies Act, 1956 between the Company, ServiceMaster Clean Limited ("SMC"), SIS Asset Management Private Limited (formerly known as Tech SIS Access Management System Private Limited) and their respective shareholders and creditors ("Demerger Scheme"). The Demerger Scheme contemplates the demerger, transfer and vesting of

(a) the consultancy and investigation business of the Company, including all related assets, properties, identified investments (direct, or through nominees), liabilities and provisions, employees, business contracts and movable and immovable properties, as well as certain compulsorily convertible shares allotted or deemed to be allotted pursuant to the Demerger Scheme ("SIS Demerging Business"), and

(b) the payroll outsourcing business of SMC, including all related assets, properties, identified investments (direct, or through nominees), liabilities and provisions, employees, business contracts and movable and immovable properties ("SMC Demerging Business") to SIS Asset Management Private Limited, on a going concern basis (such transaction, the "Proposed Demerger").

During the year ended March 31, 2017, revenues from the SMC Demerging Business and the SIS Demerging Business (collectively, the "Demerging Businesses") accounted for INR 14.64 million and INR 2.59 million, respectively.

The Company has filed the demerger scheme with the National Company Law Tribunal, Kolkata ("NCLT") who has the jurisdiction authority in this case, on January 13, 2017, for its approval. NCLT, Kolkata Bench, by its order dated May 26, 2017, has directed to convene the meeting of the equity shareholders of SIS and meetings of the secured and unsecured creditors of SIS and SMC for approval of the proposed scheme of demerger. Accordingly, the Demerger Scheme remains subject to (a) consents and approvals of the Central Government or any government authorities, (b) the approval of the shareholders and creditors of the respective companies, (c) the approval of the NCLT, (d) certified copies of the orders of the NCLT being filed with the ROC, and (e) compliance with any other conditions as may be imposed by the NCLT.
Some of the key terms of the Demerger Scheme are as follows:

(i) The Demerger Scheme envisages the transfer of the Demerging Businesses to SIS Asset Management Private Limited, for Consideration (defined hereinafter) and in accordance with section 2(19AA) of the Income Tax Act. The Demerger Scheme has been drawn up to comply with the conditions relating to a demerger under section 2(19AA) of the Income Tax Act, and if found inconsistent with this section, shall stand modified to the extent required for compliance.

(ii) The "Appointed Date" for the Demerger Scheme is proposed to be July 1, 2016.

(iii) The Demerger Scheme, inter alia, provides for, in consideration for the transfer of the Demerging Businesses, the issuance by SIS Asset Management Private Limited of (a) 43,070,000 fully paid-up compulsorily convertible preference shares of INR 10 each ("CCPS") proportionately for every 19,512,800 equity shares of INR 10 each of SMC held by shareholders of SMC on the Appointed Date, and (b) 16,520,000 equity shares of INR 10 each of SIS Asset Management Private Limited for every 6,202,659 Equity Shares held by shareholders of our Company on the Appointed Date ("Consideration"). Any CCPS allotted, or deemed to be allotted to the Company (on account of the Company being a shareholder of SMC) as consideration for transfer of the SMC Demerging Business would stand cancelled;

(iv) Upon approval of the Demerger Scheme, with effect from the Appointed Date, as noted by the board of directors by their resolutions dated September 20, 2016, November 11, 2016 and December 16, 2016, sixteen immovable properties owned by the Company and three investments owned by SMC ("Demerged Properties") shall be transferred to, and vest with, SIS Asset Management Private Limited. The Demerged Properties consist primarily of land and buildings, including our administrative office, our training centres at Garwha, Jharkhand (including academic blocks and hostels), Dehradun and Cuttack and investments by SMC in Vardan and Sunrays, which own our corporate office.
As on March 31, 2017, the book value of the assets pertaining to the SIS Demerging Business and SMC Demerging Business aggregated to INR 156.88 million and INR 430.00 million respectively. The board of directors of SIS Asset Management Private Limited has, by its resolution dated September 20, 2016, evinced an intention to enter into leasehold arrangements, on arms' length basis with the Company post-demerger to enable us to continue to utilise certain identified Demerged Properties, including our corporate office, administrative office and our training centres at Garwha, Jharkhand (including academic blocks and hostels), Dehradun and Cuttack, post the demerger.

14 Effective August 1, 2016, the Company has acquired 78.72% of the outstanding equity shares of Dusters Total Solutions Services Private Limited for an aggregate consideration of INR 1,169.03 million. In addition, the share purchase agreement provides for acquisition of 100% of the outstanding equity shares, by August 2019, in one or more tranches, and at a price to be determined according to a pre-agreed valuation formula.

15 During the year, the Company has filed a Draft Red Herring Prospectus with Securities Exchange Board of India on September 27, 2016 in connection with an Initial Public Offering ("IPO") of the equity shares of the Parent. The Parent has incurred expenses amounting to INR 89,440 towards the aforesaid IPO. As the process of the IPO is still continuing, these expenses have been recorded under Other Debtors and prepayments under Other current assets in Annexure XVII.

16 Related party disclosures

Related party disclosure in accordance with the Accounting Standard AS-18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India is given as under in respect of related parties with whom transactions have taken place:

Particulars	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
Subsidiary Company	(i) Service Master Clean Limited (ii) Tech SIS Limited (iii) Terminix SIS India Private Limited (iv) SIS International Holdings Ltd (v) SIS Australia Group Pty Limited (vi) Sunrays Overseas Private Limited (vii) Vardan Overseas Private Limited (viii) Dusters Total Solutions Services Private Limited (ix) SIS Business Support Services and Solutions Private Limited (x) SISCO Security Services Private Limited	(i) Service Master Clean Limited (ii) Tech SIS Limited (iii) Terminix SIS India Private Limited (iv) SIS International Holdings Ltd (v) SIS Australia Group Pty Limited (vi) Sunrays Overseas Private Limited (vii) Vardan Overseas Private Limited	(i) Service Master Clean Limited (ii) Tech SIS Limited (iii) Terminix SIS India Private Limited (iv) SIS International Holdings Ltd (v) SIS Australia Group Pty Limited (vi) Sunrays Overseas Private Limited (vii) Vardan Overseas Private Limited (viii) SIS Cash Services Private Limited (ix) SIS Prosegur Holdings Private Limited	(i) Service Master Clean Limited (ii) Tech SIS Limited (iii) SIS Cash Services Private Limited (iv) Terminix SIS India Private Limited (v) SIS International Holdings Ltd	(i) Service Master Clean Limited (ii) Tech SIS Limited (iii) SIS Cash Services Private Limited (iv) Terminix SIS India Private Limited (v) SIS International Holdings Ltd
Joint Ventures	(i) SIS Cash Services Private Limited (ii) SIS Prosegur Holdings Private Limited (iii) SIS Prosegur Cash Logistics Private Limited (iv) SIS Prosegur Alarm Monitoring and Response Service Private Limited	(i) SIS Cash Services Private Limited (ii) SIS Prosegur Holdings Private Limited (iii) SIS Prosegur Cash Logistics Private Limited (iv) SIS Prosegur Alarm Monitoring and Response Service Private Limited			
Key management personnel	(i) Ravindra Kishore Sinha- Chairman (ii) Rita Kishore Sinha - Director (iii) Uday Singh - Chief Executive Officer and Director (iv) Rituraj Kishore Sinha - Managing Director (v) Arvind Kumar Prasad - Director – Finance (vi) Devesh Desai - Chief Financial Officer, International Business (vii) Pushpa Latha Katkuri - Company Secretary and Compliance Officer	(i) Ravindra Kishore Sinha- Chairman/ Managing Director (ii) Rita Kishore Sinha - Director (iii) Uday Singh - Chief Executive Officer and Director (iv) Rituraj Kishore Sinha - Chief Operating Officer	(i) Ravindra Kishore Sinha- Chairman/ Managing Director (ii) Rita Kishore Sinha - Director (iii) Uday Singh - Chief Executive Officer and Director (iv) Rituraj Kishore Sinha - Chief Operating Officer	(i) Ravindra Kishore Sinha- Chairman/ Managing Director (ii) Rita Kishore Sinha - Director (iii) Uday Singh - Chief Executive Officer (iv) Rituraj Kishore Sinha - Chief Operating Officer	(i) Ravindra Kishore Sinha-Chairman/ Managing Director (ii) Rita Kishore Sinha - Director (iii) Uday Singh - Chief Executive Officer (iv) Rituraj Kishore Sinha - Chief Operating Officer
Enterprises owned or significantly influenced by key management personnel or their relatives	(i) Saksham Bharat Skills Limited (ii) Security Skills Council India Limited (iii) Vocational Skills Council India Private Limited (iv) SIS Group Enterprises Limited (v) Superb Intelligence and Security Private Limited (vi) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited (vii) Mritunjay Educational Foundation Limited (viii) Rituraj Resorts Limited (ix) SIS Asset Management Private Limited	(i) Saksham Bharat Skills Limited (ii) Security Skills Council India Limited (iii) Vocational Skills Council India Private Limited (iv) SIS Group Enterprises Limited (v) Superb Intelligence and Security Private Limited (vi) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited (vii) Mritunjay Educational Foundation Limited (viii) Rituraj Resorts Limited	(i) Saksham Bharat Skills Limited (ii) Security Skills Council India Limited (iii) Vocational Skills Council India Private Limited (iv) SIS Group Enterprises Limited (v) Superb Intelligence and Security Private Limited (vi) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited (vii) Mritunjay Educational Foundation Limited (viii) Rituraj Resorts Limited	(i) Saksham Bharat Skills Limited (ii) Security Skills Council India Limited (iii) Vocational Skills Council India Private Limited (iv) Rituraj Resorts Limited (v) Superb Intelligence and Security Private Limited (vi) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited (vii) Mritunjay Educational Foundation Limited	(i) Saksham Bharat Skills Limited (ii) Security Skills Council India Limited (iii) Vocational Skills Council India Private Limited (iv) Rituraj Resorts Limited (v) Superb Intelligence and Security Private Limited (vi) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited (vii) Mritunjay Educational Foundation Limited (viii) Shree Katha Chemicals Private

17 Related party transactions

The following table provides the details of transactions that have been entered into with related parties during the relevant year :-

(Amount in Rupees millions unless otherwise stated)

Party Name	Nature of transactions	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
Subsidiary/ Associate Company						
	Purchase of equipment	-	-	-	-	0.06
	Purchase of fixed assets	97.42	12.99	5.87	3.56	-
	Sub contracting service charge	-	-	-	0.57	0.67
	Sub contracting service charge received	148.44	157.78	71.35	-	-
	Service charges paid / Expenses paid	177.65	185.21	54.82	2.63	2.18
	Service charges received / Other income received	14.54	13.01	8.73	21.47	23.49
	Reimbursement of expenses-Rent received	-	-	3.20	7.90	7.20
	Investments made during the year	1,273.03	47.50	792.15	33.76	-
	Sales of investments	-	-	707.98	-	-
	Dividend income received	2.53	78.49	161.16	164.40	158.61
	Rent Paid	12.00	7.00	-	-	-
	Interest paid on Bonds or Debentures	30.41	-	-	-	-
	Rupees Denominated Bond Issued	750.00	-	-	-	-
Joint Ventures						
	Service charges received	16.26	43.54	-	-	-
	Sales of investments	-	3.96	-	-	-
	Sub contracting service charge received	9.31	18.52	-	-	-
	Service charges paid	0.61	-	-	-	-
Key managerial personnel						
	Salary and remuneration paid	43.92	29.92	27.89	28.56	24.05
	Rent paid	18.65	18.47	18.61	18.61	18.61
	Transfer of property right	-	-	-	33.23	-
Enterprises owned or significantly influenced by key management personnel or their relatives						
	Training fees received	-	-	-	-	3.89
	Reimbursement of expenses-Rent received	0.48	-	1.44	13.16	2.70
	Compulsory convertible debentures issued	-	-	-	-	2.31
	Conversion of compulsory convertible debentures	-	-	-	2.31	-
	Service charges / other income received	32.09	30.28	14.39	-	-
	Rent paid	0.84	0.84	0.42	-	-
	Service charges paid	11.70	7.49	-	-	-
	Sales of investments	7.04	-	-	-	-

18 Balance outstanding at the year end

Details of balance outstanding as at year end are as follows:-

(Amount in Rupees millions unless otherwise stated)

Party Name	Nature of transactions	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
Subsidiary/ Associate Company						
	Advances recoverable in cash or in kind	63.18	46.61	123.52	32.87	51.63
	Amount payable	75.46	85.88	109.48	82.07	68.25
	Investment in equity shares	1,740.56	467.53	501.89	417.72	383.96
	Rupees Denominated Bond Issued	750.00	-	-	-	-
	Rupees Denominated Bond Issued - Interest Payable	12.72	-	-	-	-
Key managerial personnel						
	Amount payable	8.60	0.11	8.01	1.58	0.56
	Share Capital (including Share premium)	96.34	-	-	-	-
Joint ventures						
	Advances recoverable in cash or in kind	75.04	58.35	-	-	-
	Investment in equity shares	77.89	77.89	-	-	-
	Amount payable	0.11	-	-	-	-
Enterprises owned or significantly influenced by key management personnel or their relatives						
	Advances recoverable in cash or in kind	65.77	58.34	51.37	24.56	15.17
	Investment in equity shares	-	7.04	7.04	7.04	8.14
	Amount payable	-	-	0.06	-	-

As per our report of even date
For A. Mitra & Associates
Chartered Accountants

A. K. Mitra
Partner
Membership No. 015230
Firm Reg. No.: - 5268/C
Place: New Delhi
Date: May 31, 2017

For and on behalf of the Board

Ravindra Kishore Sinha
Chairman
[DIN: 00945635]

Rituraj Kishore Sinha
Managing Director
[DIN: 00477256]

Pushpalatha Katkuri
Company Secretary

Uday Singh
Chief Executive Officer & Director
[DIN: 02858520]

Arvind Kumar Prasad
Director – Finance
[DIN: 02865273]

Independent Auditors' report on the restated consolidated financial information of Security and Intelligence Services (India) Limited

The Board of Directors
Security and Intelligence Services (India) Limited
Annapoorna Bhawan
Patliputra, Kurji
Patna 800010

Dear Sirs,

1. We have examined the following restated financial statements of Security and Intelligence Services (India) Limited ("the Company"), its subsidiaries, associates and jointly controlled entities (together referred to as "the Group"), annexed to this report for the purpose of inclusion in the offer document (collectively the "Consolidated Financial Information") prepared by the Company in connection with its proposed Initial Public Offer ("IPO"):
   d. the "Restated consolidated Statement of Assets and Liabilities" as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed as Annexure I);
   e. the "Restated consolidated Statement of Profit and Loss" for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed as Annexure II) and
   f. the "Restated consolidated Statement of Cash Flows" for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed as Annexure III).

2. We have examined such restated consolidated financial information taking into consideration:
   a. the terms of our engagement agreed with you vide our engagement letter dated July 27, 2016, requesting us to carry out work on such financial information, proposed to be included in the offer document of the Company in connection with its proposed IPO; and
   b. the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

3. The Company proposes to make an initial public offer for sale by certain shareholders' existing equity shares of Rs 10 each at such premium, arrived at by book building process (referred to as the "Issue"), as may be decided by the Company and Selling Shareholders in consultation with GCBRLMs and BRLMs.

4. The accompanying restated consolidated financial information, expressed in Indian Rupees in Millions, of the Group comprising the Restated consolidated Financial Information and Other consolidated Financial Information referred to in paragraph 15 below (hereinafter together referred to as "Restated consolidated Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of Section 26 of the Companies Act, 2013 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013, as amended (hereinafter referred to as the "Act") and item (IX) of Part (A) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the Board of Directors of the Company and initialed by us for identification purposes only.

5. The restated consolidated financial information has been extracted by the management from the audited consolidated financial statements of the Group as at and for each of the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013 prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the board of directors on May 31, 2017, July 30, 2016, July 30, 2016, July 30, 2016 and July 30, 2016 respectively.

Management's Responsibility for the Restated Consolidated Financial Information

6. The Management's responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Responsibilities

7. Our work has been carried out in accordance with the Standards on Auditing, (Revised) Guidance Note on Reports in Group Prospectuses and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable provisions within Rules 4 to 6 of the Rules and the SEBI Regulations.

8. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

9. For the purpose of our examination, we have relied on the audited consolidated financial statements of the Group for the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013 audited by us, which were expressed in Indian Rupees in 000s, in respect of which we have issued our auditor's reports dated May 31, 2017, July 30, 2016, July 30, 2016, July 30, 2016 and July 30, 2016 respectively;

10. We did not audit the financial statements/ financial information of the following subsidiaries, which reflect total assets, total revenue and net cash inflow as reflected in the table below for the respective years, and as considered in the consolidated audited financial statements.

As at period / year ended	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Number of subsidiaries	9	8	8	8	8
Total assets (Rs. Million)	15,306.43	17,250.67	16,044.36	12,923.99	12,308.66
Total revenue (Rs. Million)	28,677.67	24,183.86	24,847.60	22,948.56	21,081.06
Net cash inflow (Rs. Million)	646.89	147.79	676.33	431.58	-340.37

11. The consolidated audited financial statements also include the Group's share of net profit/loss of Rs 17.05 million, Rs. 15.61 million, Rs. 9.29 million, Rs. 7.39 million, Rs. 10.89 million and Rs. NIL for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 respectively, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements / financial information have not been audited by us.

12. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and, accordingly, our opinion on examination of the Consolidated Financial Information and Other Consolidated Financial Information of the Group, in so far as it relates to the amounts and disclosures, in respect of these subsidiaries and associates, included in these Restated Consolidated Financial Information is based solely on the audit reports furnished to us by other firms of Chartered Accountants/ other auditors, after making necessary adjustments.

13. The financial statements of 2 (two) subsidiaries Sunrays Overseas Private Limited and Vardan Overseas Private Limited, for the year ended March 31, 2014 were audited by M/s. Khare Sikri & Co. and we have relied on those financial statements insofar as the opening balances for the year ended March 31, 2015 are concerned.

14. The financial statements of 1 (one) subsidiary Lotus Learning Private Limited, for the year ended March 31, 2016 was audited by M/s. Sharat Shanbag & Co. and we have relied on those financial statements insofar as the opening balances for the year ended March 31, 2017 are concerned.

15. We draw your attention to the following:
    b. the Restated Consolidated Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV and Annexure V

Other Financial Information

16. At the Company's request, we have also examined the following consolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group as at and for each of the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013:

    i. Restated consolidated Statement of Share Capital, enclosed as Annexure VI
    ii. Restated consolidated Statement of Reserves and Surplus, enclosed as Annexure VII
    iii. Restated consolidated statement of share application money pending allotment, encl. as Annexure VIII
    iv. Restated consolidated statement of minority interest, enclosed as Annexure IX
    v. Restated consolidated statement of long term borrowings, enclosed as Annexure X
    vi. Restated consolidated statement of trade payables, enclosed as Annexure XI
    vii. Restated consolidated statement of provisions, enclosed as Annexure XII
    viii. Restated consolidated statement of short term borrowings, enclosed as Annexure XIII
    ix. Restated consolidated statement of other current liabilities, enclosed as Annexure XIV
    x. Restated consolidated statement of tangible assets, enclosed as Annexure XVA
    xi. Restated consolidated statement of intangible assets, enclosed as Annexure XVB
    xii. Restated consolidated statement of non-current investments, enclosed as Annexure XVI
    xiii. Restated consolidated statement of deferred tax assets (net), enclosed as Annexure XVII
    xiv. Restated consolidated statement of loans and advances, enclosed as Annexure XVIII
    xv. Restated consolidated statement of other assets, enclosed as Annexure XIX
    xvi. Restated consolidated statement of inventories, enclosed as Annexure XX
    xvii. Restated consolidated statement of trade receivables, enclosed as Annexure XXI
    xviii. Restated consolidated statement of cash and bank balances, enclosed as Annexure XXII
    xix. Restated consolidated statement of revenue from operations, enclosed as Annexure XXIII
    xx. Restated consolidated statement of other income, enclosed as Annexure XXIV
    xxi. Restated consolidated statement of cost of raw materials and components consumed, encl. as Annexure XXV
    xxii. Restated consolidated statement of employee benefits expenses, enclosed as Annexure XXVI
    xxiii. Restated consolidated statement of finance costs, enclosed as Annexure XXVII
    xxiv. Restated consolidated statement of other expenses, enclosed as Annexure XXVIII
    xxv. Restated consolidated statement of accounting ratios, enclosed as Annexure XXIX
    xxvi. Restated consolidated statement of dividend declared, enclosed as Annexure XXX
    xxvii. Restated consolidated statement of capitalization, enclosed as Annexure XXXI
    xxviii. Notes to restated Consolidated Summary of Statements of Assets and Liabilities, Profit and Loss and Cash Flows Annexure XXXII

Opinion

17. In our opinion, the Restated Consolidated Financial Information of the Group, as attached to this report and as mentioned in paragraphs 1 and 11 above, read with basis of preparation and respective significant accounting policies, and after making adjustments and regroupings as considered appropriate and disclosed in Annexures IV , have been prepared in accordance with Section 26 of Companies Act, 2013 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act and the SEBI Regulations

18. Without qualifying our opinion, we draw attention to "Note 10 in Annexure IVA - "Note on material adjustments" in respect of a change in treatment of gratuity and leave benefits.

19. Based on our examination of the Restated Consolidated Financial Information and the audited financial statements of the Group for each of the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013, we report that:

a. the restated consolidated profits have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure IV to this report;
b. adjustments for the material amounts in the respective financial years to which they relate have been adjusted in the attached restated consolidated summary statements;
c. there are no extraordinary items which need to be disclosed separately in the restated consolidated summary statements;
d. there are no qualifications in the auditors' reports, which require any adjustments to the restated consolidated summary statements;
e. other remarks / comments included in the annexure to the audit report issued in terms of the requirements of the Companies (Auditor's Report) Order, 2016 / 2015 / 2003 (as amended) on the financial statements for the years ended March 31, 2016, 2015, 2014 and 2013 which do not require any corrective adjustment in the restated consolidated financial information, are as follows:

I. For the year ended March 31, 2016

Clause 6 (a) and (c)

According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Group have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.

There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of Rs. 57.30 million (previous year – Rs. 36.37 million), which have been disclosed as a contingent liability in the financial statements.

II. For the year ended March 31, 2015

Clause 7 (a) and (c)

According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Group have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.

There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of Rs. 36.37 million, which have been disclosed as a contingent liability in the financial statements.

III. For the year ended March 31, 2014 and March 31, 2013

Clause 7 (a) and (c)

The Group is generally regular in depositing undisputed statutory dues relating to Income Tax, Service Tax and other material statutory dues applicable to the Group although there have been some minor delays observed in few cases

There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess, etc. except for an amount of Rs. 23.38 million as at March 31, 2014 and Rs. 14.82 million as at March 31, 2013, which have been disclosed as a contingent liability in the financial statements

20. We have not audited or reviewed any financial statements of the Group as of any date or for any period subsequent to March 31, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to March 31, 2017.

21. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

22. 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, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

23. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Restriction on Use

24. This report is addressed to, and is provided to enable, the Board of Directors of the Company to include this report in the Offer documents, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the SEBI, Registrar of Companies, Patna and the concerned Stock Exchanges and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For A. Mitra & Associates
Chartered Accountants
Firm Registration No.: - 005268/C

A. K. Mitra
Partner
Membership No. 015230

Place: New Delhi
Date: May 31, 2017

Security and Intelligence Services (India) Limited

Annexure I – Restated Consolidated Statement of Assets and Liabilities of Security and Intelligence Services (India) Limited

(Amount in Rupees millions unless otherwise stated)

	Particulars	Annexures	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						
(A)	**Shareholders' funds**						
	Share capital	VI	687.03	62.00	61.75	61.75	213.30
	Reserves and surplus	VII	4,743.90	4,431.52	3,852.95	3,855.89	3,105.96
			5,430.93	**4,493.52**	**3,914.70**	**3,917.64**	**3,319.27**
(B)	**Share application money pending allotment**	VIII	-	-	54.05	-	-
(C)	**Minority Interest**	IX	145.88	25.75	764.73	363.76	393.06
			145.88	**25.75**	**764.73**	**363.76**	**393.06**
(D)	**Non - current liabilities**						
	Long-term borrowings	X	4,059.53	1,789.72	2,003.58	595.83	602.48
	Long-term provisions	XII	764.54	669.54	551.44	749.67	701.65
			4,824.06	**2,459.26**	**2,555.02**	**1,345.50**	**1,304.13**
(E)	**Current liabilities**						
	Short-term borrowings	XIII	2,795.22	2,208.71	1,948.71	1,402.46	966.38
	Trade payables	XI					
	Total outstanding dues of micro and small enterprises and						
	Total outstanding dues of creditors other than micro and small enterprises		465.53	332.70	425.84	287.27	288.84
	Other current liabilities	XIV	4,597.13	3,070.40	3,210.65	2,583.61	2,623.77
	Short-term provisions	XII	2,226.20	2,007.93	1,643.43	1,562.31	1,477.41
			10,084.08	**7,619.73**	**7,228.63**	**5,835.65**	**5,356.40**
	Total (A+B+C+D+E)		**20,484.95**	**14,598.26**	**14,517.13**	**11,462.56**	**10,372.86**
	Assets						
(F)	**Non current assets**						
	Fixed assets						
	Tangible assets	XVA	1,602.53	1,325.10	1,233.55	1,231.72	983.02
	Intangible assets	XVB	2,778.19	1,754.70	2,051.61	1,281.69	1,330.86
	Capital work-in-progress		4.10	0.41	68.57	71.36	58.90
	Intangible assets under development		35.57	1.01	(0.00)	12.90	2.28
	Non-current investments	XVI	195.33	120.33	104.20	114.33	114.57
	Deferred tax assets (net)	XVII	628.98	474.79	404.51	379.15	291.81
	Long-term loans and advances	XVIII	245.05	153.23	126.21	112.39	128.22
	Other non-current assets	XIX	6.07	3.29	2.44	2.04	2.54
			5,495.82	**3,832.86**	**3,991.09**	**3,205.59**	**2,912.19**
(G)	**Current assets**						
	Inventories	XX	39.69	10.61	65.46	53.09	36.63
	Trade receivables	XXI	4,617.42	2,876.94	3,118.98	2,531.33	2,993.50
	Cash and bank balances	XXII	4,508.03	3,492.76	3,744.87	2,969.38	2,532.46
	Short-term loans and advances	XVIII	673.01	522.62	434.15	201.16	393.70
	Other current assets	XIX	5,150.99	3,862.47	3,162.58	2,502.01	1,504.38
			14,989.13	**10,765.40**	**10,526.04**	**8,256.97**	**7,460.67**
	Total (F+G)		**20,484.95**	**14,598.26**	**14,517.13**	**11,462.56**	**10,372.86**

Notes:

1) The above statement should be read with the Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV, significant accounting policies appearing in Annexure V, and notes to the Restated Consolidated Financial Information appearing in Annexure XXXII.

As per our report of even date
For A. Mitra & Associates
Chartered Accountants

For and on behalf of the Board

A. K. Mitra
Partner
Membership No. 015230
Firm Reg. No.: - 5268/C
Place: New Delhi
Date: May 31, 2017

Ravindra Kishore Sinha
Chairman
[DIN: 00945635]

Rituraj Kishore Sinha
Managing Director
[DIN: 00477256]

Pushpalatha Katkuri
Company Secretary

Uday Singh
Chief Executive Officer & Director
[DIN: 02858520]

Arvind Kumar Prasad
Director – Finance
[DIN: 02865273]

Devesh Desai
Chief Financial Officer
(International Business)

Security and Intelligence Services (India) Limited

Annexure II - Restated Consolidated Statement of Profit and Loss of Security and Intelligence Services (India) Limited

(Amount in Rupees millions unless otherwise stated)

Particulars	Annexures	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						
Revenue from operations	XXIII	45,670.87	38,362.22	35,506.28	30,976.56	26,436.86
Revenue from operations		**45,670.87**	**38,362.22**	**35,506.28**	**30,976.56**	**26,436.86**
Other income	XXIV	100.35	139.00	145.23	100.27	140.15
Total revenue (A)		**45,771.22**	**38,501.21**	**35,651.52**	**31,076.83**	**26,577.00**
Expenses						
Cost of raw materials and components consumed	XXV	134.55	35.86	23.78	20.05	16.77
Purchase of traded goods		51.09	71.22	103.63	13.19	16.68
Increase/(decrease) in inventories		(21.50)	(1.01)	(3.92)	0.77	(2.34)
Employee benefits expense	XXVI	37,886.64	31,162.43	28,920.15	25,383.47	21,594.99
Depreciation and amortisation expense	XV(A&B)	456.47	431.57	454.36	305.24	255.30
Finance costs	XXVII	748.76	475.18	477.41	256.06	310.65
Other expenses	XXVIII	5,403.37	5,399.54	4,869.73	4,081.39	3,566.47
Total expenses (B)		**44,659.37**	**37,574.80**	**34,845.14**	**30,060.17**	**25,758.53**
Share of net profit of associates accounted for using the equity method		**17.05**	**15.61**	**9.29**	**7.37**	**10.87**
Profit/(loss) before taxation (A-B) (C)		**1,128.91**	**942.03**	**815.66**	**1,024.02**	**829.34**
Tax expense/(income)						
Current tax		363.86	396.44	376.71	458.78	357.64
MAT Credit Entitlement		(19.03)				
Deferred tax charge/(credit)		(121.33)	(100.13)	(45.86)	(89.10)	(71.84)
Total tax expense (D)		**223.50**	**296.31**	**330.85**	**369.68**	**285.79**
Net profit/(loss) after taxation (C-D) (E)		**905.41**	**645.72**	**484.81**	**654.34**	**543.55**
Profit/(loss) for the year before minority interest and conversion to JV from Subsidiary		**905.41**	**645.72**	**484.81**	**654.34**	**543.55**
Conversion to JV from Subsidiary		-	92.80	-	-	-
Profit/(loss) for the year before minority interest		**905.41**	**738.52**	**484.81**	**654.34**	**543.55**
Less : Minority interest in profit/(loss) for the year		(7.38)	(18.78)	(141.98)	(32.27)	(27.97)
Profit (Loss) for the year attributable to majority shareholder		**912.79**	**757.30**	**626.79**	**686.61**	**571.52**

Notes:

1) The above statement should be read with the significant accounting policies appearing in Annexure IV, notes to the Restated Consolidated Financial Information appearing in Annexure XXXII and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure V.

As per our report of even date
For A. Mitra & Associates
Chartered Accountants

For and on behalf of the Board

A. K. Mitra
Partner
Membership No. 015230
Firm Reg. No.: - 5268/C
Place: New Delhi
Date: May 31, 2017

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Director – Finance
[DIN: 02865273]

Devesh Desai
Chief Financial Officer
(International Business)

Security and Intelligence Services (India) Limited
Annexure III - Restated Consolidated Statement of Cash Flows of Security and Intelligence Services (India) Limited

(Amount in Rupees millions unless otherwise stated)

	Particulars	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.	**Cash flows from/ (used in) operating activities**					
	Profit before tax (as restated)	1,128.91	942.03	815.66	1,024.02	829.34
	Adjustments for:	-	-	-	-	-
	Depreciation and amortisation expense	456.47	431.57	454.36	305.24	255.30
	Interest expense	720.09	456.64	455.13	238.68	291.90
	Interest income	(95.61)	(100.65)	(114.32)	(105.80)	(147.85)
	Loss/(profit) on sale of fixed assets (net)	(2.47)	(5.84)	(3.61)	(4.14)	(0.39)
	Loss/(profit) on sale of long-term investments (net)	-	(33.34)	-	1.10	-
	Dividend income on investments	(17.05)	(15.61)	(9.29)	(7.37)	(10.87)
	Bad debts written off	238.28	296.15	182.15	147.58	118.02
	Deferred revenue expenditure	2.04	2.34	0.22	0.01	0.01
	Employee stock option scheme	76.61	35.70	32.12	(0.00)	(0.00)
	Unrealised foreign exchange (profit)/loss	(1.66)	0.97	(14.69)	21.70	0.01
	Other non-cash item	(0.04)	47.93	-	-	-
	Operating profit/ (loss) before working capital changes (as restated)	**2,505.56**	**2,057.89**	**1,797.74**	**1,621.03**	**1,335.48**
	Movements in working capital					
	(Increase)/ decrease in loans and advances	(177.88)	(104.02)	(207.23)	207.09	(227.39)
	(Increase)/ decrease in trade receivables	(1,213.72)	(314.73)	(623.35)	303.88	(418.91)
	(Increase)/ decrease in inventories	(29.08)	54.31	(12.37)	(16.66)	(2.00)
	(Increase)/ decrease in other current assets	(589.29)	(604.92)	(718.44)	(995.63)	(100.05)
	Increase/ (decrease) in provisions	137.47	225.71	198.95	107.48	115.90
	Increase/ (decrease) in trade payables	136.38	(47.16)	111.13	(0.05)	175.34
	Increase/ (decrease) in other current liabilities	992.01	46.17	736.12	58.24	272.11
	Cash generated from/ (used in) operations	**1,761.44**	**1,313.25**	**1,282.53**	**1,285.37**	**1,150.48**
	Decrease/(increase) in other non-current assets	(3.58)	-	-	-	-
	Direct taxes paid (net of refunds)	(813.41)	(583.00)	(569.87)	(484.01)	(505.65)
	Net cash generated from/ (used in) operations	**944.45**	**730.25**	**712.67**	**801.36**	**644.83**
II.	**Cash flows from/ (used in) investing activities**					
	Purchase of fixed assets including intangible assets and capital work in progress	(670.39)	(658.60)	(468.55)	(544.51)	(434.11)
	Purchase of long term investments	(1,528.33)	(5.00)	(721.09)	(0.38)	(8.67)
	Proceeds from sale of fixed assets	23.61	13.85	9.58	13.46	8.89
	Proceeds from sale of long term investments	7.04	33.34	-	(1.10)	-
	Interest received on deposits/loans	85.59	85.65	72.05	102.37	150.54
	Dividends received	26.26	15.61	9.29	7.37	10.87
	Preliminary and Pre-Operative Expenses incurred	(1.28)	(2.03)	(0.88)	0.48	(0.01)
	Net cash generated/ (used in) investing activities	**(2,057.49)**	**(517.18)**	**(1,099.61)**	**(422.32)**	**(272.50)**
III.	**Cash flows from/ (used in) financing activities**					
	Proceeds from issuance of equity share capital	0.05	0.25	0.00	159.82	0.00
	Share application money	-	(20.73)	54.05	-	-
	Proceeds from long term borrowings	2,098.41	210.00	1,961.82	118.90	222.11
	Repayment of long term borrowings	(370.86)	(394.15)	(400.85)	(470.38)	(332.27)
	Interest paid on bank loans and others	(716.73)	(522.57)	(456.41)	(242.62)	(301.11)
	Dividend paid	2.51	(271.63)	(174.30)	(203.24)	(127.81)
	Dividend distribution tax	(39.32)	(0.00)	(9.11)	(0.00)	(20.73)
	Foreign exchange (gain)/loss Realised	1.70	(0.97)	14.69	(21.70)	(0.01)
	Foreign exchange (gain)/loss Un-Realised	-	-	(157.93)	-	-
	Change in loans repayable on demand	354.47	370.53	612.95	440.31	(254.25)
	Bonds/Debentures issued (net)	872.03	-	-	173.93	2.31
	Finance lease obligation (net)	0.00	0.00	(0.52)	(5.38)	(12.04)
	Other Loans and Advances received (net)	14.30	(7.81)	72.79	123.16	51.25
	Net cash generated/ (used in) financing activities	**2,216.57**	**(637.07)**	**1,517.19**	**72.80**	**(772.56)**
IV.	**Net increase/ (decrease) in cash and cash equivalents [I+II+III]**	**1,103.53**	**(424.00)**	**1,130.25**	**451.84**	**(400.22)**

V.	**Cash & cash equivalents at the beginning of the year**	3,492.76	3,744.87	2,969.38	2,532.46	2,838.68
	Translation Adjustment - Other Items	(4.51)	-	-	-	-
	Exchange difference on Opening Cash balance	(60.95)	163.74	(286.87)	(9.12)	94.00
	Exchange difference on Closing and Average exchange rate	(22.81)	8.15	(68.96)	(5.81)	0.00
	Cash balances added on acquisition/Investment	-	-	1.07	-	-
VI.	**Cash & cash equivalents at the end of the year [IV+V]**	**4,508.02**	**3,492.76**	**3,744.86**	**2,969.38**	**2,532.46**
	Components of cash and cash equivalents					
	Cash on hand	4.40	3.72	4.99	1.58	1.67
	With banks on current account & Others	4,236.80	3,220.59	3,493.97	2,806.94	2,373.47
	With banks on escrow account	266.82	268.45	245.90	160.87	157.32
	Investment in liquid funds					
	Total cash and cash equivalents	**4,508.03**	**3,492.76**	**3,744.87**	**2,969.38**	**2,532.46**

Notes:

1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements.
2) The above statement should be read with the Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV, significant accounting policies appearing in Annexure V, and notes to the Restated Consolidated Financial Information appearing in Annexure XXXII.

As per our report of even date
For A. Mitra & Associates
Chartered Accountants

A. K. Mitra
Partner
Membership No. 015230
Firm Reg. No.: - 5268/C
Place: New Delhi
Date: May 31, 2017

For and on behalf of the Board

Ravindra Kishore Sinha
Chairman
[DIN: 00945635]

Rituraj Kishore Sinha
Managing Director
[DIN: 00477256]

Pushpalatha Katkuri
Company Secretary

Uday Singh
Chief Executive Officer & Director
[DIN: 02858520]

Arvind Kumar Prasad
Director – Finance
[DIN: 02865273]

Devesh Desai
Chief Financial Officer
(International Business)

Annexure IVA – Note on material adjustments

1 Below mentioned is the summary of results of adjustments made to the audited consolidated financial statements of the respective years and its impact on the restated summary of statement of profit and loss and restated summary of statement of assets and liabilities:

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Profit after tax (as per audited financial statements)	898.71	305.57	602.65	708.40	593.46
A. Adjustments:					
Material Restatement Adjustments	-	-	-	-	-
(i) Audit qualifications	-	-	-	-	-
Total	-	-	-	-	-
(ii) Other adjustments					
(a) Provision for compensation to employees on account of ESOP expense written back (Refer Note 2 below)	(0.04)	0.05	(0.07)	(0.03)	(0.43)
(b) Provision for doubtful debts / bad debts written off (Refer Note 3 below)	10.31	107.65	67.30	(53.02)	(34.18)
(c) Income taxes related to earlier years (Refer Note 4 below)	-	-	0.91	0.98	-
(d) Prior period expense/income (Refer Note 5 below)	-	48.00	(15.57)	1.18	(1.59)
(e) Incremental bonus expenses (Refer Note 6 below)	-	73.35	(87.52)	-	-
(f) Settlement of income tax assessment (Refer Note 7 below)	-	1.05	-	-	(1.05)
(g) Insurance claim receivable (Refer Note 8 below)	-	1.80	(1.80)	-	-
(h) Contingent liability recognition (Refer Note 9 below)	-	0.66	0.96	0.12	-
Total	**10.26**	**232.55**	**(35.79)**	**(50.77)**	**(37.26)**
B. Adjustments on account of changes in accounting treatment:					
Gratuity valued/accounted as per Actuarial Valuation (Refer Note 10 below)	-	180.91	(50.06)	(36.91)	(40.27)
Leave encashment valued/accounted as per Actuarial Valuation (Refer Note 10 below)	-	29.51	14.55	(6.30)	(5.10)
Deferred revenue expenditure (Refer Note 11 below)	-	0.53	0.81	0.82	0.92
Total	**-**	**210.95**	**(34.71)**	**(42.39)**	**(44.45)**
		-	-	-	-
C. Deferred tax impact of adjustments (Refer Note 12 below)	(3.57)	(129.60)	6.21	39.11	31.80
		-	-	-	-
Deferred tax on Goodwill (Refer Note 14 below)	-	26.24	(53.55)	-	-
Total impact of adjustments	**6.70**	**340.14**	**(117.84)**	**(54.06)**	**(49.91)**
Restated profit after tax	**905.41**	**645.72**	**484.81**	**654.34**	**543.55**

Notes:

1) **Adjustments for Audit Qualifications**
None

2) During the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the parent Company reversed certain amount of provision pertaining to employee stock option plan for employees whose options got lapsed and which were considered as no longer payable. Since these were relating to earlier years, the reversal has now been reflected in the respective years in which the liability has been created.

3) During the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, certain amounts had been written-off as bad and doubtful debts, which for the purpose of this statement, have been appropriately adjusted in the respective years to which they relate.

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Security and Intelligence Services (India) Limited	5.25	73.20	20.25	(8.10)	1.76
Service Master Clean Limited	5.06	3.82	(1.06)	0.84	(3.10)
Terminix SIS India Private Limited	-	1.11	(0.14)	(0.65)	(0.32)
SIS Cash Services Private Limited	-	26.40	54.60	(45.12)	(32.53)
SIS Prosegur Holdings Private Limited	-	3.11	(6.34)	-	-
	10.31	**107.65**	**67.30**	**(53.02)**	**(34.18)**

4) In case of Security and Intelligence Services (India) Limited and Service Master Clean Limited, Statement of Profit and Loss for the financial years ended March 31, 2015 and March 31, 2014 includes amounts provided for in respect of short provision of income taxes in respect of the earlier years which has now been adjusted in the respective years.

5) In the financial statements for the year ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, certain expense/income were not charged/credited to the statement of profit and loss in the year in which they were incurred/earned. For the purpose of restated consolidated summary of financial statements, such expense/income have been appropriately adjusted in the financial years to which the transactions pertain to.

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Security and Intelligence Services (India) Limited	-	-	(0.05)	0.22	(0.06)
Service Master Clean Limited	-	-	-	0.09	0.01
Tech SIS Limited	-	-	-	-	0.06
Terminix SIS India Private Limited	-	0.07	(0.07)	0.26	(0.26)
SIS Cash Services Private Limited	-	-	-	1.18	(0.40)
MSS Security Pty Ltd	-	47.93	(15.45)	(0.56)	(0.94)
	-	**48.00**	**(15.57)**	**1.18**	**(1.59)**

6) Subsequent to the year ended March 31, 2015, Payment of Bonus Act, 1965 (‘ the Act”) has been amended vide the Payment of Bonus (Amendment) Act, 2015. The Act has been amended to take retrospective effect w.e.f. April 01, 2014 and accordingly revised bonus (including arrears related to the year ended March 31, 2015) is required to be paid to the eligible employees. Hence, the Group has recognized statutory bonus of Rs. 621.00 mn in the year ended March 31, 2016 (including Rs. 87.00 mn relating to the year ended March 31, 2015) forming part of salaries, wages and bonus with a remaining corresponding amount included in provision for employee benefits payable as at March 31, 2016. Accordingly, the amounts pertaining to the year ended March 31, 2015 have been appropriately restated with a corresponding impact to the year ended March 31, 2016 respectively in the Restated Consolidated Financial Information.

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Security and Intelligence Services (India) Limited	-	53.28	(53.28)	-	-
Service Master Clean Limited	-	6.45	(6.45)	-	-
SIS Cash Services Private Limited	-	11.18	(22.82)	-	-
SIS Prosegur Holdings Private Limited	-	2.43	(4.97)	-	-
	-	**73.35**	**(87.52)**	**-**	**-**

7) In case of SIS Cash Services Private Limited, Statement of Profit and Loss for the financial year ended March 31, 2016 include amount paid, in respect of shortfall income tax arising out of assessments, appeals etc. which has now been adjusted in the respective years.

8) The Group is following the policy of accounting for insurance claims on settlement with the insurers. For the purpose of this statement, the said expense has been appropriately adjusted in the respective years in which the claims were lodged. Accordingly, adjustments have been made to the financial statements, as restated, for the years ended March 31, 2016 and March 31, 2015.

9) In case of SIS Cash Services Private Limited, the Contingent liabilities of Labour claims pertaining to earlier years were settled in subsequent years and consequently the adjustments have been made in the Other Administrative and General Expenses for the years ended March 31, 2016, March 31, 2015 and March 31, 2014 and the brought forward balance in Profit and Loss Account as at April 1, 2012.

Change in accounting treatment:

10) During the financial year ended March 31, 2016, the Company and its subsidiaries and joint ventures and associates in India have changed the basis of accounting for retirement benefits i.e. provision for gratuity and leave encashment is made on the basis of actuarial valuation in compliance of the Accounting Standard - 15 (Revised) issued by the Institute of Chartered Accountants of India, which was earlier accounted for on actual basis. Accordingly, the provision for gratuity and leave encashment has been recomputed on actuarial valuation basis for each preceding year and consequently the adjustments have been made in the expense for gratuity and leave encashment for the years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the brought forward balance in Profit and Loss Account as at April 1, 2012

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Security and Intelligence Services (India) Limited	-	194.13	(43.93)	(37.67)	(39.67)
Service Master Clean Limited	-	8.31	(2.70)	(1.67)	(2.23)
Tech SIS Limited	-	0.22	(0.22)	-	-
Terminix SIS India Private Limited	-	1.51	(0.75)	(0.30)	(0.41)
SIS Cash Services Private Limited	-	5.79	(3.63)	(1.79)	(0.79)
SIS Prosegur Holdings Private Limited	-	0.47	(0.95)	-	-
MSS Security Pty Ltd	-	-	16.67	(1.79)	(2.28)
	-	**210.42**	**(35.51)**	**(43.21)**	**(45.37)**

11) During the financial year ended March 31, 2016, the Company changed the policy of accounting for preliminary expenses which were changed from deferring such expenses as deferred revenue expenditure to expensing off the expenditure as incurred. For the purpose of restated consolidated summary statements, such deferred expenses have been appropriately adjusted in the financial years to which they pertain.

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Service Master Clean Limited	-	-	0.07	0.07	0.17
Tech SIS Limited	-	-	-	0.01	0.01
Terminix SIS India Private Limited	-	0.32	0.32	0.32	0.32
SIS Cash Services Private Limited	-	0.20	0.42	0.42	0.42
	-	**0.53**	**0.81**	**0.82**	**0.92**

12) Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the restated profit and loss for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and the balance brought forward in Statement of Profit and Loss as at April 1, 2012.

13) In case of Service Master Clean Limited, deferred tax has been wrongly created as liability instead of asset till March 31, 2014, For the purpose of restated consolidated summary statements, this has been rectified and restated in respective financial year.

14) In case of SIS Prosegur Holdings Private Limited, deferred tax has not been recognised on the Goodwill amortisation in the financial year ended March 31, 2016, for the purpose of restated consolidated summary statements deferred tax expense has been appropriately adjusted in the respective years.

15) Borrowing cost incurred for the purpose of acquisition during a period prior to the financial year ended March 31, 2012 was accounted for in goodwill earlier. This amount is now expensed

16) The above statement should be read with the Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure IV, significant accounting policies appearing in Annexure V, and notes to the Restated Consolidated Financial Information appearing in Annexure XXXII.

2 Adjustments made in the audited opening balance of surplus in the Statement of Profit and Loss as at April 1, 2012

(Amount in Rupees millions unless otherwise stated)

Particulars	**Amount**
Surplus in the Statement of profit and loss as at April 1, 2012 as per audited financial statements	2,176.35
Adjustments on account of restatements:	-
Provision for compensation to employees on account of ESOP expense written back (Refer Note 2 below)	0.54
Provision for doubtful debts / bad debts written off (Refer Note 3 above)	(101.33)
Income taxes related to earlier years (Refer Note 4 above)	(1.89)
Prior period expense/income (Refer Note 5 above)	21.76
Employee cost-Superannuation Shortfall (Refer Note 7 above)	(13.17)
Contingent liability recognition (Refer Note 9 above)	(59.37)
Gratuity valued/accounted as per Actuarial Valuation (Refer Note 10 above)	(15.18)
Leave encashment valued/accounted as per Actuarial Valuation (Refer Note 10 above)	(9.63)
Deferred revenue expenditure (Refer Note 11 below)	(2.77)
Contingent liability recognition	(1.74)
Borrowing Cost capitalised as Goodwill (Refer Note 15 above)	(43.98)
Deferred tax liability (Refer Note 13 above)	5.06
Deferred tax impact of adjustments (Refer Note 12 above)	63.82
Surplus in the Statement of Profit and Loss as at April 1, 2012 (as restated)	**2,018.47**

Annexure IVB – Non adjusting items

Audit qualifications for the respective periods, which do not require any corrective material adjustments in the restated consolidated summary of statements are as follows:

I. For the year ended March 31, 2016
Clause 6 (a) and (c)
According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Group have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.
There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of RS. 57.30 (previous year – RS. 36.37) (RS. in millions), which have been disclosed as a contingent liability in the financial statements.

II. For the year ended March 31, 2015

Clause 7 (a) and (c)
According to the information and explanations given to us in respect of statutory dues:
Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Professional Tax and other material statutory dues applicable to the Group have generally been regularly deposited with the appropriate authorities though there have been some delays in deposit of dues relating to Service Tax and Income Tax.
There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess except for an amount of RS. 36.37 (RS. in millions), which have been disclosed as a contingent liability in the financial statements.

III. For the year ended March 31, 2014, March 31, 2013 and March 31, 2012

Clause 7 (a) and (c)

The Group is generally regular in depositing undisputed statutory dues relating to Income Tax, Service Tax and other material statutory dues applicable to the Group although there have been some minor delays observed in few cases

There were no amounts under dispute in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess, etc. except for an amount of Rs. 23.38(Rs. in millions) as at March 31, 2014 and Rs. 14.82 (Rs in millions) as at March 31, 2013, which have been disclosed as a contingent liability in the financial statements

Annexure IVC – Material regroupings

W.e.f April 01, 2014, Schedule III of the Companies Act, 2013 has become applicable to the Group for the preparation and presentation of its financial statements which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956 which became applicable to the Group w.e.f April 01, 2011 for the preparation and presentation of its financial statements. The adoption of the Schedule III of the Companies Act, 2013/Revised Schedule VI of the Companies Act, 1956 does not impact recognition and measurement principles followed for preparation of financial statements. There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. The restated consolidated 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.

Appropriate adjustments have been made in the restated consolidated summary statements of Assets and Liabilities, Profit 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 financials of the Company for the year ended March 31, 2016, 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 - Basis of Preparation and Significant Accounting Policies

1. Group Overview

Security and Intelligence Services (India) Limited ("the Parent") and its subsidiaries, associates and joint ventures ("Group" or "SIS Group") are engaged in rendering security and related services in the areas of manned guarding; physical security; paramedic and emergency response services; cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion; consulting and investigation; training; trading and installation of electronic security devices and systems; and cleaning, house-keeping and pest control management services in the areas of facility management.

2. Basis of preparation

The Restated Consolidated Summary of Statement of Assets and Liabilities of the Group as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the related Restated Consolidated Summary of Statement of Profit and Loss and Restated Consolidated Summary of Statement of Cash Flows for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and annexures thereto (herein collectively referred to as ('Restated Consolidated Financial Information') have been compiled by the management from the Audited Consolidated Financial Statements for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

The Consolidated Financial Statements of the Group for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Group has prepared these Consolidated Financial Statements to comply in all material respects with the accounting standards 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 other Accounting Principles Generally Accepted in India. These Consolidated Financial Statements have been prepared using the historical cost convention on an accrual basis.

The Consolidated Financial Statements of the Group for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 have been prepared using the historical general purpose Audited Financial Statements of the Group for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 respectively which were prepared under Indian GAAP and originally approved by the board of directors at the relevant time.

The accounting policies have been consistently applied by the Group and are consistent with those adopted in the preparation of Financial Statements for the year ended March 31, 2017.

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.

The Restated Consolidated Financial Information 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 of Statements of Assets and Liabilities, Profit and Loss 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.

Basis of Consolidation

These Restated Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of subsidiaries, associates and joint ventures on the audited financial statements prepared for consolidation in accordance with the requirements of Accounting Standard - 21 (AS 21) on "Consolidated Financial Statements", Accounting Standard - 23 (AS 23) on "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard - 27 (AS 27) on "Financial Reporting of Interests in Joint Ventures" by each of the included entities.

In case of subsidiaries, line-by-line consolidation of the Statement of Profit and Loss and Balance Sheet is done by aggregating like items of assets, liabilities, income and expenses. The excess / deficit of the cost of its investments in its subsidiaries over its share of net worth of the subsidiaries at the date of investment in the subsidiaries are treated as goodwill / capital reserve in the CFS. The goodwill is disclosed as an asset and capital reserve as a reserve in the Consolidated Balance Sheet.

Minority interest in the net income (profit after tax) for the reporting period is identified and shown separately in the Statement of Profit and Loss and adjusted against the Group income to arrive at the net income of the Group; likewise the minority interest in the net assets of the consolidated subsidiaries is identified and presented separately on the liabilities side in the Consolidated Balance Sheet.

Inter-Company transactions balances and unrealised gains on transactions between Group companies are eliminated for arriving at the CFS of the Group. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

On acquisition of a subsidiary or a business, the goodwill / capital reserve arising from such acquisition is included in the carrying amount of the investment and also disclosed separately. Only share of net profits / losses of associates is considered in the Consolidated Statement of Profit and Loss. The carrying amount of the investment in associates is adjusted by the share of net profits / losses in the Consolidated Balance Sheet.

3 Significant accounting policies

a. Use of estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the Company may undertake in future, actual results ultimately may differ from the estimates.

b. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue comprises the value for the rendering of services and sale of goods and is net of rebates and discounts. Revenue is recognized as follows:

Revenue from Services

Revenue from services represents the amounts receivable for services rendered.

a. For non-contract based business, revenue represents the value of goods delivered or services performed.

b. For contract based business, revenue represents the sales value of work carried out for customers during the period. Such revenues are recognized in the period in which the service is provided.

Sale of goods

For sale of goods, revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably and the amount of revenue can be measured reliably.

Interest

Interest on deployment of surplus funds is recognized using the time proportionate method, based on the interest rate implicit in the transaction.

Dividends

Dividend income from financial assets is recognized in profit or loss as part of revenue from continuing operations when the company's right to receive payments is established.

c. Fixed assets

Fixed assets and Intangible assets are stated at cost of acquisition less accumulated depreciation/amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost, including freight, duties, levies and direct incidental expenses, of bringing the asset to its working condition for its intended use and also includes cost of modification and improvements to leased assets. Borrowing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is allocated to cash generating units and tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

Brand name

Brand name is not amortised and tested annually for impairment.

Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials, services, and direct payroll and payroll related costs of employees' time spent on the project.

Capital work in progress

Capital work in progress (CWIP) comprises the cost of fixed assets that are not yet ready for their intended use as on the balance sheet date.

Advances paid to acquire fixed assets and outstanding on the date of the balance sheet are disclosed under "Long term loans and advances"

d. Depreciation

Depreciation on fixed assets, except service equipment, software, leased assets and leasehold improvements, is provided based on the useful life of the assets as prescribed under Schedule II to the Companies Act 2013, and/or which are estimated to be the useful life of fixed assets by the management and considering residual values on the basis of past experience. Additions are depreciated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. (Refer note 12 under "Other Notes to Accounts").

The written down value method of depreciation is followed by the Parent, subsidiaries, associates and joint ventures incorporated in India. For those entities of the Group not incorporated in India, the straight-line method of depreciation is followed. These methods have been followed consistently by the respective entities since incorporation.

Service equipment is depreciated over its useful life as technically assessed.

Leasehold improvements on operating leases are depreciated over the shorter of the period of the lease and their estimated useful lives.

Intangible assets comprise of software and goodwill arising on consolidation or acquisition. Software assets are amortised over a period of 3-5 years, based on their estimated useful life as ascertained by the management. 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. Goodwill arising on consolidation or acquisition is not amortised but is tested for impairment.

e. Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

f. Leases

Finance leases, which effectively transfer to the entities of the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the entities of the Group will obtain the ownership by the end of the lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight-line basis over the lease term.

g. Impairment of tangible and intangible assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

h. Inventories

Inventories are carried at the lower of cost or net realizable value and are valued using the actual cost of purchase on a first-in-first-out (FIFO) basis. Cost includes custom duty, freight and other charges as applicable. The Group periodically reviews inventories to provide for diminution in the value of, and/or any unserviceable or obsolete, inventories.

i. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

Investments in associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition The Group's share of its associates' post-acquisition profits or losses is recognised in the income statements, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

j. Retirement and other employee benefits

Defined Contribution Plan

The Group's policy is to contribute, on a defined contribution basis, for eligible and employees, to Employee's Provident Fund and Employee Pension Scheme towards post-employment benefits, all of which are administered by the respective Government authorities and has no further obligation beyond making its contribution which is expected in the year in which it pertains.

In respect of entities of the Group not incorporated in India, contributions to superannuation funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined Benefit Plan

Gratuity:

The Group has a defined benefit plan, viz., Gratuity, for all its employees, and the Group's policy is to determine the liability for this benefit and to accrue and provide for the same as determined by an independent actuarial valuation as per the requirements of Accounting Standard - 15 on "Employee Benefits". A portion of this liability for gratuity is contributed to a fund administered and operated by a reputed insurance company. Actuarial gains or losses, if any, are recognised immediately in Statement of Profit and Loss as income or expense.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, long service leave and annual leave expected to be settled within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as other payables and accruals.

Other long-term employee benefits

In respect of leave entitlement of employees, which is carried forward per the leave policy of the respective entities of the Group, the liability is accrued and provided for as determined by an independent actuarial valuation as per the requirements of Accounting Standard - 15 on “Employee Benefits”. Actuarial gains or losses, if any, are recognised immediately in Statement of Profit and Loss as income or expense

In respect of those employees who are entitled to an encashment of the leave at the end of every calendar year, a provision is created to account for the liability.

The liability for long service leave and annual leave which is not expected to be settled within twelve months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statements of comprehensive income. The obligations are presented as current liabilities in the balance sheets if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

k. Taxes on income

Tax expense comprise 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 respective tax legislation in the jurisdiction of the countries in which the entity of the Group is incorporated. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the entity of the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the entity of the Group will pay normal income tax during the specified period

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

The tax expense in the consolidated financial statements is the aggregate of the amounts of tax expense appearing in the separate financial statements of the parent and its subsidiaries.

Tax consolidation legislation

SIS Australia Holdings Pty Ltd and its wholly-owned Australian controlled entities are members of a consolidated group under the tax consolidation legislation prevalent in Australia. The head entity and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

l. Foreign currency transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items that 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 that are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of the 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 pertaining to fixed assets which have been acquired from a country outside India, in which case the exchange difference arising on borrowings are adjusted to the cost of the fixed asset.

Forward exchange contracts

The Group uses forward exchange contracts to hedge its exposure to movements in foreign exchange rates. The Group does not use the forward exchange contracts for trading or speculation purposes. In respect of foreign currency monetary assets or liabilities in respect of which forward exchange contract is taken, the premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract, except where it relates to fixed assets in which case it is adjusted to the cost of the corresponding asset. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

m. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. In respect of losses that are covered by insurance, such losses are recognised as an expense when there is clear evidence or determination or probability that any portion of the loss is not expected to be settled through insurance or other forms of recovery.

o. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

p. Preliminary expenses

Preliminary and pre-incorporation expenses are recognised in Statement of Profit and Loss in the first financial period/year following incorporation.

q. Deferred revenue expenses

Share/debenture issue expenses are amortized over a period of five years on a straight line basis.

Annexure VI - Restated consolidated statement of share capital

(Amount in Rupees millions unless otherwise stated)

Particulars	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 "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount
Authorised share capital										
Equity shares of Rs. 10 each	135,000.00	1,350.00	135,000.00	1,350.00	12,000.00	120.00	12,000.00	120.00	12,000.00	120.00
Fully convertible preference shares of Rs. 100 each	-	-	-	-	1,600.00	160.00	1,600.00	160.00	1,600.00	160.00
	135,000.00	**1,350.00**	**135,000.00**	**1,350.00**	**13,600.00**	**280.00**	**13,600.00**	**280.00**	**13,600.00**	**280.00**
Issued share capital										
Equity shares of Rs. 10 each	68,703.09	687.03	6,200.28	62.00	6,175.28	61.75	6,175.28	61.75	5,330.47	53.30
Fully convertible preference shares of Rs. 100 each	-	-	-	-	-	-	-	-	1,600.00	160.00
	68,703.09	**687.03**	**6,200.28**	**62.00**	**6,175.28**	**61.75**	**6,175.28**	**61.75**	**6,930.47**	**213.30**
Subscribed and paid up share capital										
Equity shares of Rs. 10 each	68,703.09	687.03	6,200.28	62.00	6,175.28	61.75	6,175.28	61.75	5,330.47	53.30
Less : equity shares forfeited	(0.13)	(0.00)	(0.13)	(0.00)	(0.13)	(0.00)	(0.13)	(0.00)	(0.13)	(0.00)
Fully convertible preference shares of Rs. 100 each	-	-	-	-	-	-	-	-	1,600.00	160.00
	68,702.96	**687.03**	**6,200.16**	**62.00**	**6,175.16**	**61.75**	**6,175.16**	**61.75**	**6,930.35**	**213.30**

Notes:

1) Of the above, 2,210,500 equity shares were allotted as fully paid bonus shares by capitalisation of general reserve in financial year 2005-06.

2) On July 27, 2016, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 10 (ten) Bonus Equity Shares of Rs. 10 each for every equity share of Rs. 10 each held by the members as on August 20,2016 including for all shares which may arise out of exercise of employee stock options and on conversion of CCDs. Subsequently, at a meeting of the board held on September 1, 2016, the Company decided to change the record date for the issue of bonus shares from August 20,2016 to September 15, 2016. As on this date, viz., September 15, 2016, a total of 6,245,724 equity shares were issued and paid up. On September 21, 2016, the Company issued and allotted 62,457,240 bonus equity shares of Rs. 10 each and, accordingly, a sum of Rs. 624.57 million was capitalised, on allotment of the bonus shares, out of the Company's General reserves outstanding as on March 31, 2016 and was transferred to the Share Capital Account towards issue of fully paid-up bonus shares pursuant to which the paid-up equity share capital of the Company increased from Rs. 62.46 million to Rs. 687.03 million.

3) Mr. Uday Singh was the holder of 79,000 unpaid shares in SIS International Holdings Ltd., a wholly owned subsidiary. In terms of a letter dated December 1, 2009, Mr. Singh had the option to exchange these shares for shares of any companies in the SIS group in a manner reflecting the fair value of the these shares, reduced by the amounts unpaid on them. Subsequently, in lieu of these shares and suitably adjusted for amounts unpaid thereon, Mr. Singh was allotted 40,565 Equity Shares, at a ratio as determined in accordance with a valuation report prepared by a SEBI registered merchant banker.

Annexure VI - Restated consolidated statement of share capital (continued)

(Amount in Rupees millions unless otherwise stated)

a. **Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year**

Particulars	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 "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount
At the beginning of the year	6,200.16	62.00	6,175.16	61.75	6,175.16	61.75	5,330.35	53.30	5,330.35	53.30
Issued during the period	-	-	25.00	0.25	-	-	844.81	8.45	-	-
Issue as bonus shares	62,457.24	624.57	-	-	-	-	-	-	-	-
Shares allotted upon exercise of ESOPs	5.00	0.05	-	-	-	-	-	-	-	-
Shares allotted preferentially to Mr. Uday Singh; as adjusted for bonus	40.57	0.41	-	-	-	-	-	-	-	-
Outstanding at the end of the year	**68,702.97**	**687.03**	**6,200.16**	**62.00**	**6,175.16**	**61.75**	**6,175.16**	**61.75**	**5,330.35**	**53.30**

b. **Rights, preferences and restrictions attached to shares**

(i) The Group has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share held. The Group declares and pays the dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Compulsory convertible preference shares carry preferential right to dividend of Rs. 0.01 per share to be paid before any dividend is paid on equity shares. The shares were convertible at any time after July 31, 2011. Number of Compulsory convertible preference shares are convertible to 464,686 equity shares. In the event of winding up of the Company, the holders of the preference shares were entitled to a preferential right of return of the capital paid-up thereon.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the company after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. **Details of shareholders holding more than 5% shares in the Company**

Particulars	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 "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding
Equity shares										
Ravindra Kishore Sinha	28,564.89	41.58%	2,596.81	41.88%	2,596.81	42.05%	2,596.81	42.05%	2,741.49	51.43%
Rita Kishore Sinha	12,111.06	17.63%	1,099.70	17.74%	1,099.70	17.81%	1,099.70	17.81%	1,099.70	20.63%
Theano Private Limited	10,439.77	15.20%	949.07	15.31%	949.07	15.37%	949.07	15.37%	-	0.00%
Rituraj Kishore Sinha	7,086.89	10.32%	653.51	10.54%	652.59	10.57%	652.25	10.56%	658.43	12.35%

As per records of the Company, including its register of shareholder/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. **Compulsory convertible preference shares**

Details of shareholders holding more than 5% shares in the Company

Particulars	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 "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding	No. of shares "in 000"	% of holding
Preference shares										
D. E. Shaw Composite Investments (Mauritius) Limited	-	-	-	-	-	-	-	-	1,600.00	100%

e. The Group has two Employee Stock Option plans namely ESOP 2008 and ESOP 2016. Under ESOP 2008 Employee Stock options were granted in 2008, 2011, 2014, 2015 and 2016 and 59,000 options, 30,000 Options, 30,500 Options 3,500 options and 2,096 options respectively have been granted.
All options granted in 2008 has been either exercised or lapsed. Out of the 30,000 options granted in 2011, 12,876 options were exercised, 10,355 options are vested and remaining to be exercised and the remaining 6,769 options have lapsed.
Out of the 30,500 options granted in 2014, 26,500 options have been exercised (including 1,500 options during the year ended March 31, 2017) and the remaining 4,000 options are to vest and be eligible for exercise in the next 3 financial years.
Out of the 3,500 Options granted in 2015, all were vested and exercised during the year ended March 31, 2017
Out of the 2,096 Options granted in 2016, the same will vest and be eligible for exercise over the next four financial years.
Options issued under ESOP 2008 will be adjusted for the bonus issue of ten equity shares for every equity share held as on September 20, 2016.
Under ESOP 2016, the Company granted 1,216,000 options which will vest over the next four financial years and be eligible for exercise, subject to certain conditions, after August 1, 2020.

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure VII - Restated consolidated statement of reserves and surplus

(Amount in Rupees millions unless otherwise stated)

Particulars	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
General reserve					
Balance as at the beginning of the year	815.00	950.00	-	-	-
Add: amount transferred to / from surplus balance in the statement of profit and loss	(624.57)	(135.00)	950.00	-	-
Less: written back during the year	-	-	-	-	-
Balance as at the end of the year (A)	**190.43**	**815.00**	**950.00**	**-**	**-**
Securities premium account					
Balance as at the beginning of the year	644.59	620.18	620.18	342.56	342.56
Add : premium on issue of equity shares	95.94	-	0.00	122.27	-
Add : premium on conversion of compulsory convertible preference shares (Refer note 2)	-	-	-	155.35	-
Conversion to JV from Subsidiary	-	(28.53)	-	-	-
Add : premium on exercise of employee stock options	10.85	52.94	-	-	-
Balance as at the end of the year (B)	**751.38**	**644.59**	**620.18**	**620.18**	**342.56**
Employee stock options outstanding account					
Balance as at the beginning of the year	14.90	33.45	1.34	1.34	1.34
Add: expense for the year	73.16	35.74	32.12	(0.00)	-
Less: transferred to securities premium on exercise of employee stock options	(10.85)	(54.30)	-	-	-
Balance as at the end of the year (C)	**77.21**	**14.90**	**33.45**	**1.34**	**1.34**
Foreign currency monetary item translation difference account					
Retained Earnings	(37.13)	41.81	(163.43)	237.59	252.92
Share Capital/Investment	(107.99)	(40.47)	41.94	68.26	69.50
Other Items	0.00				
Balance as at the end of the year (D)	**(145.12)**	**1.34**	**(121.49)**	**305.84**	**322.42**
Surplus/ (deficit) in the Statement of Profit and Loss					
Balance as at the beginning of the year	2,955.68	2,370.80	2,928.53	2,439.65	2,018.47
Restated profit/(loss) for the year	905.41	738.52	484.81	654.34	543.55
Transfer to minority interests	7.36	(55.86)	84.04	60.63	(1.53)
Less: appropriations					
Proposed equity dividend	-	-	-	-	-
Other appropriation	1.55	(5.25)	-	-	-
Transfer to/from general reserves	-	135.00	(950.00)	-	-
Interim dividend	(0.00)	(270.41)	(160.55)	(216.98)	(103.97)
Tax on interim dividend	(0.00)	(39.32)	-	(9.11)	(16.87)
Depreciation (net of tax) due to transitional provision of Schedule II of Companies Act, 2013 (refer note 1 below)	-	-	(16.03)	-	-
Conversion to JV from Subsidiary		82.20	-	-	-
Balance as at the end of the year (E)	**3,870.00**	**2,955.68**	**2,370.80**	**2,928.53**	**2,439.65**
Total reserves and surplus (A+B+C+D+E)	**4,743.90**	**4,431.52**	**3,852.95**	**3,855.89**	**3,105.96**

Notes:

1) Depreciation on fixed assets, except software, leased assets and leasehold improvements in respect of the Group's companies in India (including the Parent), were hitherto provided on a written down value basis at the rates prescribed under Schedule XIV to the Companies Act, 1956 and which were estimated to be the useful life of fixed assets by the management. Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from April 01, 2014, the Company has recalculated the remaining useful life and residual values of fixed assets in accordance with the provisions of Schedule II to the Act. In the case of fixed assets which have already completed their useful life in terms of Schedule II to the Act, the carrying value (net of residual value) of such assets as at April 01, 2014, amounting to INR 16.02 mn (net of deferred tax amounting to INR 8.16 mn), has been adjusted from the surplus – Balance in Profit and Loss Account and disclosed in note 2 to the accounts, and in the case of other fixed assets, the carrying value (net of residual value) is being depreciated as per the re-calculated remaining useful life. Had the Company continued with the previously prescribed depreciation rates per Schedule XIV to the Companies Act, 1956, the depreciation charge for the year ended March 31, 2015 would have been lower by INR 125.26 mn. In respect of subsidiaries acquired during the year, such excess amounting to INR 5.13 mn (net of deferred tax amounting) has been adjusted from the value of goodwill computed on the acquisitions of these subsidiaries.

2) During the financial year ended March 31, 2014, the Company converted 1,600,000 preference shares of Rs. 100 each into 464,686 equity shares of Rs. 10 each at a premium of Rs. 334.32 per equity share in terms of the Investment agreement and the approvals received from the Reserve Bank of India.

3) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.

4) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited

Annexure VIII - Restated consolidated statement of share application money pending allotment

(Amount in Rupees millions unless otherwise stated)

Particulars	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 "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount	No. of shares "in 000"	Amount
Equity shares of face value Rs. 10 each proposed to be issued (Refer note 1)	-	-	-	-	129.84	54.05	-	-	-	-
Total	**-**	**-**	**-**	**-**	**130**	**54**	**-**	**-**	**-**	**-**

Notes:

1) The equity shares are allotted against the share application money in a subsidiary on date May 15, 2015 , at a premium of Rs. 246.62 per share. The refundable portion amounting to Rs.20.725 was refunded to the shareholder of the subsidiary in the group on May 26, 2015

2) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.

3) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Annexure IX - Restated consolidated statement of minority interest

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Share Capital/Investment	118.44	112.48	208.27	146.13	112.39
Share Premium Account	99.31	(0.00)	699.05	276.18	276.18
Retained Earnings	(71.87)	(86.73)	(142.59)	(58.55)	4.50
Total	**145.88**	**25.75**	**764.73**	**363.76**	**393.06**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Annexure X - Restated consolidated statement of long term borrowings

(Amount in Rupees millions unless otherwise stated)

Particulars	As at March 31, 2017 Non - current	As at March 31, 2016 Non - current	As at March 31, 2015 Non - current	As at March 31, 2014 Non - current	As at March 31, 2013 Non - current
Secured					
Debentures					
Compulsory convertible debentures (Refer Note 1(a) below)	176.24	176.24	176.24	176.24	-
Non-convertible debentures (Refer Note 1(c) below)	800.00	-	-	-	-
Term loans					
From financial institutions (Refer Note 2(a) below)	400.00	0.00	0.00	0.00	17.56
From banks (Refer Note 2(b) below)					
Rupee loans	521.75	190.36	1,519.68	105.29	83.04
Foreign currency loans	1,830.78	1,244.73	(0.00)	69.06	347.22
Hire Purchase Vehicle loans					
From banks (Refer Note 7a below)	137.27	140.59	280.40	231.57	109.18
From others (Refer Note 7b below)	27.72	37.80	27.25	13.67	45.47
Total (A)	**3,893.75**	**1,789.72**	**2,003.58**	**595.83**	**602.48**
Unsecured					
Bonds or Debentures					
Redeemable Notes (Refer Note 1(b) below)	72.03	-	-	-	-
Term Loan from Banks					
Yes Bank Limited (Refer Note 5(b)(iii)(d) below)	93.75	-	-	-	-
Total (B)	**165.78**	**-**	**-**	**-**	**-**
Total (A+B) (C)	**4,059.53**	**1,789.72**	**2,003.58**	**595.83**	**602.48**

Notes:

(a) Theano Private Limited and AAJV Investment Trust have subscribed to 1,762,380 compulsory convertible debentures (CCDs) of Rs.100/- each. The CCDs are for a term of 18 years and non interest bearing. The CCDs will be converted to 22 equity shares of the Company subject to certain terms.

(b) SINGPAI Pte Ltd have subscribed to 147, 11% unsecured redeemable Notes (in the form of Rupee denominated Bonds) of Rs 1,000,000 each issued by SIS Cash Services Private Limited (Joint venture). The redeemable Notes were repayable in FY 2022-23 pursuant to the terms and conditions stipulated in the agreement.

(c) Piramal Enterprises Limited. has subscribed to 80 unlisted unrated secured redeemable non-convertible debentures (NCDs) of Rs 10,000,000/- each. The NCDs carry interest @ 12.70 per annum, payable monthly. The company shall mandatorily prepay 50% of the facility from the proceeds of IPO and has the right to redeem the NCDs without any prepayment penalty with prior notice of 30 days. Tenure of the NCDs shall not exceed 60 months from effective date.

2) Key terms and breakdown of term loans are as follows:

	Particulars	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
		Non - current	Non - current	Non - current	Non - current	Non - current
a	**Term loan from financial institutions**					
	Term loan from Reliance Capital Limited (Refer Note 3 below)	-	-	-	-	17.11
	Finance Lease From IBM Global Finance	0.00	0.00	0.00	0.00	0.45
	Rupee term loan from Piramal Enterprises Limited (Refer Note 5 (b) (i) below)	400.00	-	-	-	-
	Total (A)	**400.00**	**0.00**	**0.00**	**0.00**	**17.56**
b	**Term loan from banks**					
	Rupee term loan from State Bank of India (Refer Note 4 below)	-	-	2.47	64.32	77.22
	Rupee term loan from Axis Bank Limited (Refer Note 5(b) (ii) below)	(0.00)	22.38	51.09	40.97	5.82
	Rupee term loan from Yes Bank Limited(Refer Note 5(b) (iii) below)	104.52	167.98	16.43	-	-
	Rupee term loan from IDBI Bank Limited (Refer Note 5(b) (v) below)	28.33	-	-	-	-
	Rupee term loan from IDFC Bank Limited (Refer Note 5(b) (iv) below)	388.89	-	-	-	-
	AUD Term loan from National Australia Bank, Sydney (Refer Note 5(b)(vi) below)	1,830.78	1,244.73	1,449.69	-	-
	AUD Term loan from SBI, Sydney (Refer Note 6 below)	-	-	(0.00)	69.06	347.22
	Total (B)	**2,352.52**	**1,435.09**	**1,519.68**	**174.35**	**430.26**
	Total (A+B)	**2,752.52**	**1,435.09**	**1,519.68**	**174.35**	**447.82**

3) The Term loan from Reliance Capital Limited was secured by charge over building to be purchased for which advances were given.

4) Term loan from State Bank of India is secured by way of pari passu charge over all current assets and first charge on the fixed assets of the Company and have also been guaranteed by Mr. R K Sinha, Chairman & Managing Director and Mrs. R K Sinha, Director as well as by first pari passu charges on immovable property in the name of Mr. R K Sinha, Chairman & Managing Director and Mrs. R K Sinha, Director .

5) (a) There is no continuing default as on the balance sheet date in repayment and interest thereon.

(b) Term loans from Banks/others: Detail of loans outstanding as at March 31, 2017

Bank	**Rate of Interest (p.a)**	**Sanction amount**	**Security**	**Repayment terms**
i) Term Loan from Piramal Enterprises Limited	12.70%	800.00	a) Secured by first exclusive charge on all present and future current assets and fixed assets acquired out of the loan. b) 59% Shares of Service Master Clean Limited and 78.72 % shares of Dusters Total Solutions Limited were pledged.	48 equally monthly installments of Rs 16.7 mn each. Repayment start from 29/10/2017 and scheduled to be repaid by Financial Year 2021-22. The company has the right to redeem the NCDs without any prepayment penalty with prior notice of 30 days.
ii) Term loan from Axis Bank Limited	Base rate plus 1.75%	100.00	First charge on fixed assets purchased out of the loan and second charge on current assets.	14 Equal quarterly installments of 7.10 millions each, last being Rs 7.70 millions. Repayment start from 31 May 2014 and scheduled to be repaid by Financial Year 2018-19. The Prepayment will accepted on mutually agreed terms and conditions.
iii-a) Yes Bank Limited	YES Base Rate plus 1%	410.00	First charge on the specified fixed assets and guaranteed by parent company.	The Loan is scheduled to be repaid by May 2020. Prepayment is allowed without any prepayment penalty.
iii-b) Yes Bank Limited	YES Base Rate plus 2.25%	40.00	First charge on the specified fixed assets and guaranteed by parent company.	The Loan is scheduled to be repaid by March 2017. Prepayment is allowed without any prepayment penalty.
iii-c) Yes Bank Limited	YES Base Rate plus 1.25%	20.00	First charge on the specified fixed assets and guaranteed by parent company.	The Loan is scheduled to be repaid by March 2019. Prepayment is allowed without any prepayment penalty.
iii-d) Yes Bank Limited	Base Rate plus 0.5% i.e 10.75%	150.00	Unsecured	16 equally quarterly installments of Rs 9.37 mn each. Repayment start from 22/11/2016 and scheduled to be repaid by Financial Year 2020-21Prepayment is allowed without any prepayment penalty.

iv) Term loan from IDFC Bank Limited	12.75%	750.00	Secured by first pari-passu charge on current assets and all immovable and movable fixed assets of the Parent and exclusive charge over specific immovable properties located in Delhi, Noida, or any other properties in the NCR.	18 equally quarterly of Rs 4.6875 lacs each. Repayment start from 29/4/2017 and scheduled to be repaid by Financial Year 2020-21.No Prepayment penalty if notice of prepayment issued 30 days prior to date repayment
v) Term loan from IDBI Bank Limited	Base rate plus 1.75% i.e 11.75%	100.00	Secured by exclusive charge on the specified assets acquired out of the loan and second pari-passu charge on all movable and immovable fixed assets of the Parent.	14 Equal quarterly installments of Rs 6.67 mn each, last being and scheduled to be repaid by Financial Year 2019-20(last installment due on 31/03/2020). Prepayment penalty is applicable as mentioned in IDBI internal guidelines.
vi) National Australia Bank, Sydney (Refer Note 7 below)	BBSY bid rate plus margin ranging from 2.25% to 4.25%	4,064.42	All assets and share mortgages of Australian subsidiaries of the group.	The Loan is scheduled to be repaid by March 2018. The Prepayment will accepted on mutually agreed terms and conditions.

6) Term loan from State Bank of India, Sydney is secured by all assets and share mortgages of Australian subsidiaries of the group and a personal guarantee of Mr. Ravindra Kishore Sinha and Mrs. Rita Kishore Sinha. The Loan is scheduled to be repaid by April 2015.

7) (a) Vehicle Loan from Banks are secured by hypothecation of vehicles purchased against the loan taken from that Bank. The Loans have various repayment schedules and are scheduled to be repaid by 2020-21.

(b) Vehicle Loan from Other Financiers are secured by hypothecation of the respective vehicle(s) purchased against the loan taken from that financier(s). The Loans have various repayment schedules and are scheduled to be repaid by 2020-21.

8) The figures disclosed above are based on the restated consolidated Summary of Statement of Assets and Liabilities of the Company.

9) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Annexure XI - Restated consolidated statement of trade payables

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
	Current	**Current**	**Current**	**Current**	**Current**
Trade payables (Refer Note 5 in Annexure XXXII for details of dues to micro and small enterprises)	465.53	332.70	425.84	287.27	288.84
Total	**465.53**	**332.70**	**425.84**	**287.27**	**288.84**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Annexure XII - Restated consolidated statement of provisions

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**	
	Non - current	**Current**	**Non - current**	**Current**	**Non - current**	**Current**	**Non - current**	**Current**	**Non - current**	**Current**
Provision for gratuity (Annexure XXXII note 3)	348.40	49.92	255.05	10.45	212.36	20.40	138.02	1.19	101.38	0.93
Provision for compensated leave absences	416.13	1,733.99	414.49	1,591.36	339.08	1,359.24	611.64	1,165.78	600.27	1,091.27
Other provisions										
Provision for income tax	-	400.22	-	293.51	-	190.75	-	286.68	-	307.81
Provision for fringe benefit tax	-	4.12	-	15.17	-	12.95	-	15.98	-	15.68
Proposed dividend	-	-	-	-	-	-	-	13.74	-	-
Dividend tax	-	(0.00)	-	39.32	-	-	-	9.11	-	-
Others [IBNR Provision]	-	37.95	-	58.13	-	60.09	-	69.84	-	61.73
Total	**764.54**	**2,226.20**	**669.54**	**2,007.93**	**551.44**	**1,643.43**	**749.67**	**1,562.31**	**701.65**	**1,477.41**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XIII - Restated consolidated statement of short term borrowings

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Secured					
Loans repayable on demand					
From Banks					
Overdraft (Refer Note 1 (a) below)	128.96	12.21	7.63	(5.84)	42.39
Cash credit (Refer Note 1 (b) below)	2,315.60	2,196.50	1,941.07	1,408.30	873.99
Total (A)	**2,444.55**	**2,208.71**	**1,948.71**	**1,402.46**	**916.38**
Unsecured					
Loans repayable on demand from bank (Refer Note 10 below)	350.67	-	-	-	50.00
Total (B)	**350.67**	**-**	**-**	**-**	**50.00**
Total (A+B)	**2,795.22**	**2,208.71**	**1,948.71**	**1,402.46**	**966.38**

Notes:

1) Key terms and breakdown of loans are as follows:

	Particulars	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	**Overdraft from banks**					
	Overdraft from State Bank of India (Refer Note 2 below)	2.14	0.03	-	0.14	6.14
	Overdraft from Axis Bank (Refer Note 2 below)	(0.00)	5.93	7.63	6.38	0.79
	Overdraft from ICICI Bank (Refer Note 2 below)	13.82	6.25	-	(12.36)	35.46
	Overdraft from other Bank (Refer Note 2 below)	113.00	-	-	-	-
	Total (A)	**128.96**	**12.21**	**7.63**	**(5.84)**	**42.39**
b	**Cash credit from banks**					
	Cash credit from State Bank of India (Refer Note 3 below)	173.91	650.02	606.09	493.07	323.46
	Cash credit from IDBI Bank (Refer Note 4 below)	153.36	126.64	-	123.42	-
	Cash credit from Axis Bank (Refer Note 5 below)	399.12	193.84	242.28	300.00	144.48
	Cash credit from ICICI Bank (Refer Note 6 below)	329.61	235.79	46.60	49.84	150.30
	Cash credit from Kotak Mahindra Bank (Refer Note 7 below)	439.65	369.25	347.95	-	33.53
	Cash credit from Yes Bank (Refer Note 8 below)	318.38	112.90	222.84	-	-
	State Bank of India, Sydney, Australia	-	-	-	441.96	222.22
	National Australia Bank, Sydney, Australia (Refer Note 9 below)	501.56	508.05	475.31	-	-
	Total (B)	**2,315.60**	**2,196.50**	**1,941.07**	**1,408.30**	**873.99**
	Total (A+B)	**2,444.55**	**2,208.71**	**1,948.71**	**1,402.46**	**916.38**

2) Overdrafts from SBI, Axis bank, and ICICI Bank is secured against fixed deposit.
3) Cash credit from State Bank of India is secured by pari passu charge over all current assets (both present and future) and first charge on the fixed assets (both present and future) of the Company.
4) Cash credit from IDBI Bank is secured by pari passu charge over all current assets (both present and future) and second charges over fixed assets (both present and future) of the Company.
5) Cash credit from Axis Bank Ltd is secured by pari passu charge over all the current assets (both present and future) and subservient charges over the fixed assets (both present and future) of the Company.
6) Cash credit from ICICI bank is secured by pari passu charge over all current assets (both present and future) and second charges over the moveable fixed assets (both present and future) of the Company.
7) Cash credit from Kotak Mahindra bank is secured by pari passu charge over all current assets (both present and future) and subsolvent charges over the fixed assets (both present and future) of the Company.
8) Cash credit from Yes bank Secured by a charge over specified trade receivables, first charge over specified current assets and first charge on specified fixed assets and guaranteed by the parent, by an exclusive charge on specified current assets and specified movable fixed assets (both present and future) and guaranteed by the holding company of that entity.
9) Loan from National Australia Bank, Sydney, Australia is secured by all assets and share mortgages of Australian subsidiaries of the Group.
10) Breakdown of loans repayable on demand are as follows:

Particulars	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
Yes Bank Limited	100.67	-	-	-	-
Standard Chartered Bank Limited	250.00	-	-	-	-
Kotak Mahindra bank Limited	-	-	-	-	50.00
Total Loans repayable on demand	**350.67**	**-**	**-**	**-**	**50.00**

11) There is no continuing default as on the balance sheet date in repayment and interest thereon
12) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
13) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Annexure XIV - Restated consolidated statement of other current liabilities

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Current maturities of long term-borrowings :					
Bonds / Debentures	-	-	-	-	2.31
Term loans	646.21	370.30	366.16	361.45	439.22
Hire purchase Vehicle loan	124.21	93.78	117.57	107.20	75.06
Interest accrued but not due on borrowings	9.46	3.93	6.67	8.68	12.64
Unpaid dividends	0.34	53.62	0.23	0.02	2.02
Advances received from customers	53.39	25.15	23.92	7.36	6.65
Current maturities of finance lease obligations	-	-	0.05	0.60	5.51
Other payables and accruals	3,763.51	2,523.61	2,696.06	2,098.30	2,080.35
Total	**4,597.13**	**3,070.40**	**3,210.65**	**2,583.61**	**2,623.77**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.

2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XVA - Restated consolidated statement of tangible assets

Gross Block **(Amount in Rupees millions unless otherwise stated)**

Particulars	Leasehold land	Freehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Others	Total
As at April 01, 2012	3.13	50.10	73.64	151.34	181.25	334.88	316.73	54.45	**1,165.51**
Additions	-	-	-	48.82	67.16	133.19	140.82	19.72	**409.71**
Deletions / adjustments	-	-	-	-	-	-	29.27	-	**29.27**
Adjustment on account of exchange difference	-	-	-	3.32	2.92	1.88	0.58	-	**8.71**
Acquired through business combinations	-	-	-	-	-		-	-	-
	3.13	**50.10**	**73.64**	**203.47**	**251.33**	**469.95**	**428.86**	**74.17**	**1,554.65**
As at March 31, 2013	3.13	50.10	73.64	203.47	251.33	469.95	428.86	74.17	**1,554.64**
Additions	-	-	-	38.17	95.24	88.62	243.50	43.90	**509.43**
Deletions / adjustments	-	-	-	1.65	-	0.32	47.06	-	**49.04**
Adjustment on account of exchange difference	-	-	-	(0.96)	4.01	(0.51)	(0.27)	-	**2.28**
Inter adjustment	-	-	-	17.56	(18.37)	-	-	(0.06)	**(0.87)**
	3.13	**50.10**	**73.64**	**256.60**	**332.20**	**557.74**	**625.03**	**118.01**	**2,016.44**
As at March 31, 2014	3.13	50.10	73.64	256.60	332.15	557.74	625.03	118.01	**2,016.39**
Additions	-	5.72	9.64	52.38	71.60	100.10	241.12	4.20	**484.76**
Deletions / adjustments	-	-	-	9.07	-	-	56.88	-	**65.95**
Adjustment on account of exchange difference	-	-	-	(15.49)	(13.59)	(10.37)	(6.52)	-	**(45.96)**
Inter-Asset group transfer	-	-	-	42.72	9.24	15.86	137.11	-	**204.93**
	3.13	**55.82**	**83.29**	**327.14**	**399.40**	**663.33**	**939.86**	**122.21**	**2,594.17**
Conversion to JV from Subsidiary	-	-	-	(58.42)	(28.68)	(51.28)	(318.69)	(0.67)	**(457.74)**
As at March 31, 2015	3.13	55.82	88.41	268.73	370.72	612.05	621.16	121.54	**2,141.56**
Additions	-	-	131.50	197.11	104.25	116.45	127.18	3.96	**680.45**
Deletions / adjustments	-	-	-	0.73	0.40	19.52	48.91	-	**69.57**
Reclassifications									**-**
Adjustment on account of exchange difference	-	-	-	7.27	6.67	6.44	3.36	-	**23.73**
Acquired through business combinations	-	-	-	-	-	-	-	-	-
	3.13	**55.82**	**219.91**	**472.38**	**481.23**	**715.41**	**702.79**	**125.50**	**2,776.17**
As at March 31, 2016	3.13	55.82	219.91	472.38	481.23	715.41	702.79	125.50	**2,776.17**
Additions	-	-	-	63.99	218.60	114.91	169.64	8.70	**575.83**
Deletions / adjustments	-	-	-	8.27	2.65	(0)	60.79	-	**71.52**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Adjustment on account of exchange difference	-	-	-	(2.48)	(2.18)	(1.27)	(1.41)	-	**(7.34)**
Acquired through business combinations	5.35	-	3.79	97.79	5.51	4.17	13.02	-	**129.64**
As at March 31, 2017	**8.48**	**55.82**	**223.70**	**623.41**	**700.51**	**833.40**	**823.25**	**134.20**	**3,402.77**

Depreciation

Particulars	Leasehold land	Freehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Others	Total
As at April 01, 2012	0.05	-	17.37	47.24	99.83	113.67	81.89	22.82	**382.88**
Charge for the year	0.05	-	2.81	31.27	35.83	46.01	81.77	6.74	**204.48**
Deletions/Adjustments	-	-	-	-	-	-	20.77	-	**20.77**
Adjustment on account of exchange difference	-	-	-	1.73	2.01	1.24	0.06	-	**5.04**
	0.10	**-**	**20.18**	**80.25**	**137.67**	**160.93**	**142.94**	**29.56**	**571.63**
As at March 31, 2013	0.10	-	20.18	80.25	137.66	160.93	143.33	29.57	**572.03**
Charge for the year	0.05	-	2.67	27.47	41.90	67.94	105.92	9.10	**255.05**
Deletions / adjustments	-	-	-	0.92	-	0.11	38.68	-	**39.71**
Adjustment on account of exchange difference	-	-	-	(0.55)	(0.48)	(0.31)	(0.09)	-	**(1.43)**
Inter Adjustment	-	-	-	5.86	(2.22)	(4.85)	-	(0.06)	**(1.27)**
	0.15	**-**	**22.86**	**112.11**	**176.86**	**223.61**	**210.48**	**38.60**	**784.67**
As at March 31, 2014	0.15	-	22.86	112.11	176.86	223.61	210.48	38.60	**784.67**
Charge for the year	0.05	-	3.11	41.85	117.65	101.48	157.78	39.01	**460.93**
Deletions / adjustments	-	-	-	8.95	-	-	51.01	-	**59.96**
Adjustment on account of exchange difference	-	-	-	(10.84)	(10.31)	(6.89)	(1.92)	-	**(29.96)**
Inter-Asset group transfer	-	-	-	31.77	9.24	15.86	148.06	0.00	**204.93**
	0.20	**-**	**25.96**	**165.95**	**293.43**	**334.06**	**463.40**	**77.61**	**1,360.62**
Conversion to JV from Subsidiary	-	-	-	(28.15)	(16.79)	(18.36)	(153.47)	(0.32)	**(217.08)**
As at March 31, 2015	0.20	-	31.09	137.79	276.65	315.70	309.93	77.29	**1,148.66**
Charge for the year	0.05	-	6.46	48.82	70.98	94.30	114.75	16.02	**351.36**
Deletions / adjustments	-	-	-	0.73	0.40	19.52	42.77	-	**63.43**
Adjustment on account of exchange difference	-	-	-	5.36	4.97	2.70	1.47	-	**14.49**
	0.25	**-**	**37.54**	**191.23**	**352.19**	**393.17**	**383.37**	**93.31**	**1,451.07**
As at March 31, 2016	0.25	-	37.54	191.23	352.19	393.17	383.37	93.31	**1,451.07**
Charge for the year	0.74		9.23	80.68	93.73	96.34	123.96	9.39	**414.07**
Deletions / adjustments	-			7.98	1.91	(0.28)	48.93	-	**58.54**
Adjustment on account of exchange difference	-	-	-	(2.07)	(1.90)	(1.69)	(0.70)	-	**(6.35)**
As at March 31, 2017	**0.99**	**-**	**46.77**	**261.86**	**442.11**	**488.11**	**457.71**	**102.70**	**1,800.25**

Net Block

Particulars	Leasehold land	Freehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Others	Total
As at March 31, 2013	**3.03**	**50.10**	**53.46**	**123.23**	**113.66**	**309.02**	**285.92**	**44.61**	**983.02**
As at March 31, 2014	**2.98**	**50.10**	**50.79**	**144.49**	**155.34**	**334.13**	**414.55**	**79.41**	**1,231.77**
As at March 31, 2015	**2.93**	**55.82**	**57.33**	**161.20**	**105.96**	**329.27**	**476.45**	**44.59**	**1,233.55**
As at March 31, 2016	**2.88**	**55.82**	**182.37**	**281.14**	**129.04**	**322.24**	**319.42**	**32.19**	**1,325.10**
As at March 31, 2017	**7.49**	**55.82**	**176.93**	**361.54**	**258.40**	**345.29**	**365.54**	**31.51**	**1,602.53**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.

2) Other tangible assets includes, the following

Net Block	Air-conditioner	Television	Livestock	Others	Total
As at March 31, 2013	18.17	2.82	7.41	16.20	**44.61**
As at March 31, 2014	26.52	24.18	11.68	17.03	**79.41**
As at March 31, 2015	12.83	11.20	11.82	8.75	**44.60**
As at March 31, 2016	8.18	5.68	12.05	6.28	**32.19**
As at March 31, 2017	7.37	7.17	12.05	4.92	**31.51**

3) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XVB - Restated consolidated statement of intangible assets

(Amount in Rupees millions unless otherwise stated)

Gross Block

Particulars	Goodwill	Other intangible assets	Computer Software	Total
As at April 01, 2012	1,174.44	32.61	334.87	1,541.92
Additions	-	-	5.89	5.89
Deletions / adjustments	-	-	(5.56)	(5.56)
Exchange Translation	58.70	5.42	16.74	80.87
As at March 31, 2013	**1,233.15**	**38.03**	**363.06**	**1,634.24**
Additions	-	-	5.69	5.69
Deletions / adjustments	6.88	-	-	6.88
Exchange Translation	-	-	(0.42)	(0.42)
As at March 31, 2014	**1,226.27**	**38.03**	**368.32**	**1,632.62**
Additions	902.66	-	32.51	935.17
Restated value	27.00	-	-	27.00
Exchange Translation	(171.24)	(38.03)	(51.71)	(260.98)
Deletions / adjustments	-	-	38.03	38.03
As at March 31, 2015	**1,984.68**	**(0.00)**	**387.16**	**2,371.84**
Additions	13.26	-	5.64	18.89
Conversion to JV from Subsidiary	(339.75)	-	(5.56)	(345.32)
Exchange Translation	72.68	-	22.40	95.09
Restated value	(27.05)	-	-	(27.05)
Reclassifications	-	-	(3.01)	(3.01)
As at March 31, 2016	**1,703.81**	**(0.00)**	**412.64**	**2,116.46**
Additions	981.27	-	37.83	1,019.11
Exchange Translation	(25.48)	-	(7.80)	(33.28)
Acquired through business combinations	64.62	-	7.84	72.46
As at March 31, 2017	**2,724.23**	**(0.00)**	**450.52**	**3,174.74**

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XVB - Restated consolidated statement of intangible assets

(Amount in Rupees millions unless otherwise stated)

Amortization

Particulars	Goodwill	Other intangible assets	Computer Software	Total
As at April 01, 2012	-	-	235.40	235.40
Charge for the year	-	1.63	49.17	50.79
Exchange Translation	-	5.42	11.77	17.19
Deletions/Adjustments	-	-	-	-
As at March 31, 2013		**7.05**	**296.33**	**303.38**
Charge for the year	-	2.46	47.38	49.84
Deletions / adjustments	-	-	-	-
Exchange Translation	-	-	(2.29)	(2.29)
As at March 31, 2014		**9.51**	**341.42**	**350.93**
Charge for the year	-	-	17.62	17.62
Deletions/Adjustments	-	(9.51)	9.51	(0.00)
Exchange Translation	-	-	(48.32)	(48.32)
As at March 31, 2015		**(0.00)**	**320.23**	**320.23**
Charge for the year	-	-	19.55	19.55
Conversion to JV from Subsidiary	-	-	(2.38)	(2.38)
Deletions / adjustments	-	-	-	-
Exchange Translation	-	-	21.35	21.35
Reclassifications	-	-	3.01	3.01
As at March 31, 2016	**-**	**-**	**361.76**	**361.76**
Charge for the year	25.85	-	16.54	42.39
Conversion to JV from Subsidiary	-	-	-	-
Deletions / adjustments	-	-	-	-
Exchange Translation	-	-	(7.60)	(7.60)
As at March 31, 2017	**25.85**	**-**	**370.70**	**396.56**

Net Block

Particulars	Goodwill	Other intangible assets	Computer Software	Total
As at March 31, 2013	1,233.15	30.98	66.72	1,330.85
As at March 31, 2014	1,226.27	28.52	26.90	1,281.69
As at March 31, 2015	1,984.68	(0.00)	66.93	2,051.61
As at March 31, 2016	1,703.81	(0.00)	50.89	1,754.70
As at March 31, 2017	2,698.38	(0.00)	79.81	2,778.19

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Annexure XVI - Restated consolidated statement of non-current investments

(Amount in Rupees millions unless otherwise stated)

Particulars	**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 (in "000")	**Amount**	**Number (in "000")**	**Amount**	**Number (in "000")**	**Amount**	**Number (in "000")**	**Amount**	**Number (in "000")**	**Amount**
Trade investments (valued at cost, unless stated otherwise)										
a. Investment in Equity Instruments										
Associates										
39,206 equity shares in Southern Cross Protection Pty Ltd of AUD 1 each fully paid up	39.21	120.33	39.21	113.29	39.21	97.16	39.21	107.29	39.21	106.42
Others										
Equity shares of Superb Intelligence and Security Private Limited of Rs. 10 each fully paid up	-	-	4.90	0.05	4.90	0.05	4.90	0.05	4.90	0.05
Equity shares of Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited of Rs. 10 each fully paid up	-	-	24.50	0.25	24.50	0.25	24.50	0.25	24.50	0.25
Equity shares of Mritunjay Educational Foundation Limited of Rs. 10 each fully paid up	-	-	24.50	0.25	24.50	0.25	24.50	0.25	24.50	0.25
Equity shares of Shree Katha Chemicals Private Limited of Rs. 100 each fully paid up	-	-		-		-	-	-	11.03	1.10
Equity shares of Rituraj Resorts Limited of Rs. 100 each fully paid up	-	-	65.00	6.50	65.00	6.50	65.00	6.50	65.00	6.50
Total (A)	**39.21**	**120.33**	**158.11**	**120.33**	**158.11**	**104.20**	**158.11**	**114.33**	**169.13**	**114.57**
b. Investments in Debentures or Bonds										
Joint venture/Associates										
Investments in Debentures or Bonds	0.15	74.97	-	-	-	-	-	-	-	-
11% redeemable debentures (refer Note 1 below)										
Total (B)	**0.15**	**74.97**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non Trade investments (valued at cost, unless stated otherwise)										
c Investment in Equity Instruments										
Others										
2500 equity shares of Saraswat Bank of Rs.10 each	2.50	0.03	-	-	-	-	-	-	-	-
Total (C)	**2.50**	**0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (A+B+C)	**41.85**	**195.33**	**158.11**	**120.33**	**158.11**	**104.20**	**158.11**	**114.33**	**169.13**	**114.57**
Aggregate book value of quoted investments										
Aggregate market value of quoted investments										
Aggregate amount of unquoted investments		**195.33**		**120.33**		**104.20**		**114.33**		**114.57**

Notes:

1) Service Masters Clean Limited have subscribed to 147 redeemable debentures of Rs 1,000,000 each issued by SIS Cash Services Private Limited (Joint Venture). The Debentures are due for redemption in FY 2022 -2023.
2) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
3) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XVII - Restated consolidated statement of deferred tax assets (net)

(Amount in Rupees millions unless otherwise stated)

Particulars	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					
Differences in depreciation and other differences in block of fixed assets as per tax books and as per financial books	155.65	118.98	109.20	45.95	25.17
Provision for doubtful debts and ESOP	91.74	58.06	133.79	89.79	83.27
Unabsorbed long term capital loss	-	110.12	26.48	43.19	44.98
Employee benefits and other accruals	841.66	628.01	521.80	546.57	496.22
Litigation	44.42	17.44	18.03	20.95	18.52
Business Loss	101.07	85.25	68.39	13.91	6.86
Deferred tax assets (A)	**1,234.54**	**1,017.87**	**877.68**	**760.36**	**675.01**
Deferred tax liabilities					
Provision for doubtful debts and advances	543.25	497.03	419.62	371.39	381.01
Differences in depreciation and other differences in block of fixed assets as per tax books and as per financial books	62.31	46.05	53.55	9.82	2.19
Deferred tax liabilities (B)	**605.55**	**543.08**	**473.17**	**381.22**	**383.20**
Net deferred tax asset / (liability) (A-B)	**628.98**	**474.79**	**404.51**	**379.15**	**291.81**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XVIII - Restated consolidated statement of loans and advances

(Amount in Rupees millions unless otherwise stated)

Particulars	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	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Unsecured, considered good										
Capital advances	4.47	-	4.60	-	8.52	-	21.63	-	64.64	-
Security deposits	221.54	-	148.62	-	117.69	-	90.76	-	63.58	-
Other loans and advances										
(Unsecured, considered good)										
MAT Credit	19.03	-	-	-	-	-	-	-	-	-
Others	-	673.01	-	522.62	-	434.15	-	201.16	-	393.70
Total	**245.05**	**673.01**	**153.23**	**522.62**	**126.21**	**434.15**	**112.39**	**201.16**	**128.22**	**393.70**

Notes:

1) The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XIX - Restated consolidated statement of other assets

(Amount in Rupees millions unless otherwise stated)

Particulars	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	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Unamortised expenditure										
Share issue expenses	2.39	-	3.29	-	2.44	-	2.04	-	2.54	-
Others										
Unbilled revenue (Refer note 1 below)	-	3,691.57	-	2,980.20	-	2,594.90	-	2,134.39	-	1,119.65
Interest accrued on fixed deposits	-	12.54	-	2.85	-	3.42	-	19.58	-	16.20
Dividend receivable on investments	-	(0.00)	-	2.15	-	-	-	-	-	-
Service tax credit receivable	-	19.91	-	27.86	-	-	-	-	-	0.46
Others Debtors and prepayments	-	308.57	-	252.18	-	193.24	-	78.74	-	104.02
Advance income tax/TDS receivable	-	1,118.38	-	597.23	-	371.00	-	269.30	-	264.05
Margin money/ Security against borrowings	3.68	-	-	-	-	-	-	-	-	-
Total	**6.07**	**5,150.99**	**3.29**	**3,862.47**	**2.44**	**3,162.57**	**2.04**	**2,502.01**	**2.54**	**1,504.38**

Notes:

1) Unbilled revenue represents income for services rendered for the last month of the financial year for which invoices have been raised on the 1st day of the following month.
2) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
3) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XX - Restated consolidated statement of inventories

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Traded goods (Surveillance equipment i.e CCTVs, Camera)	34.91	7.04	6.03	2.14	3.11
Uniform and Kit items	1.90	1.71	57.34	49.57	32.51
Chemicals and consumables	2.88	1.85	2.09	1.38	1.01
Total	**39.69**	**10.61**	**65.46**	**53.09**	**36.63**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXI - Restated consolidated statement of trade receivables

(Amount in Rupees millions unless otherwise stated)

Particulars	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	224.84	135.40	282.67	193.53	108.95
Unsecured, considered doubtful	263.05	148.46	58.88	28.44	29.65
	487.89	**283.86**	**341.55**	**221.97**	**138.60**
Less: provision for doubtful debts	259.20	152.62	60.62	28.30	28.48
	228.69	**131.24**	**280.92**	**193.67**	**110.12**
Other receivables					
Unsecured, considered good	4,388.73	2,745.70	2,838.06	2,337.66	2,883.38
Unsecured, considered doubtful	13.65	8.28	1.43	4.09	8.21
	4,402.38	**2,753.98**	**2,839.49**	**2,341.75**	**2,891.59**
Less: provision for doubtful debts	13.65	8.28	1.43	4.09	8.21
	4,388.73	**2,745.70**	**2,838.06**	**2,337.66**	**2,883.38**
Total	**4,617.42**	**2,876.94**	**3,118.98**	**2,531.33**	**2,993.50**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXII - Restated consolidated statement of cash and bank balances

(Amount in Rupees millions unless otherwise stated)

	Particulars	As at March 31, 2017 Current	As at March 31, 2016 Current	As at March 31, 2015 Current	As at March 31, 2014 Current	As at March 31, 2013 Current
a.	**Cash and cash equivalents**					
	Cash on hand	4.40	3.72	4.99	1.58	1.67
	Balances with banks:					
	- On current accounts	3,170.15	3,045.44	3,150.69	2,528.80	2,222.63
	- Restricted balances	266.82	268.45	245.90	160.87	157.32
	Margin money/Security against borrowings	154.10	128.09	131.10	100.85	145.93
	Balance with Scheduled Banks in Deposit Accounts	912.21	46.83	211.96	163.12	2.89
	Total (A)	**4,507.68**	**3,492.53**	**3,744.64**	**2,955.21**	**2,530.44**
b.	**Other bank balances**					
	Unpaid dividend account	0.34	0.23	0.23	14.17	2.02
	Total (B)	**0.34**	**0.23**	**0.23**	**14.17**	**2.02**
	Cash and bank balances (A+B)	**4,508.03**	**3,492.76**	**3,744.87**	**2,969.38**	**2,532.46**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Assets and Liabilities of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXIII - Restated consolidated statement of revenue from operations

(Amount in Rupees millions unless otherwise stated)

Particulars	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 operations					
Sale of services					
Security services	39,820.15	34,473.90	32,772.00	29,355.49	25,285.42
Cash Logistics	1,651.28	2,869.58	2,020.58	1,103.07	715.87
Facility Management Services	3,869.38	826.51	512.60	450.08	332.94
Pest control services	80.39	53.54	43.26	28.26	10.90
Training fees	54.96	11.29	11.07	15.79	61.23
Investigation service	2.59	5.19	4.38	1.91	2.24
Other revenue	122.77	13.55	13.18	4.82	2.52
Total (A)	**45,601.53**	**38,253.57**	**35,377.07**	**30,959.42**	**26,411.12**
Sale of products					
Traded goods					
Revenue from sale of electronic security devices	69.34	108.65	129.21	17.14	25.74
Total (B)	**69.34**	**108.65**	**129.21**	**17.14**	**25.74**
Revenue from operations (A+B)	**45,670.87**	**38,362.22**	**35,506.28**	**30,976.56**	**26,436.86**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXIV - Restated consolidated statement of other income

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Other income							
Interest income							
- on bank deposits	95.61	100.65	114.32	105.80	147.85	Recurring	Related
Interest income on Non current investment						Non - recurring	Non related
Profit/(loss) on sale of investments (net)	-	33.34	-	(1.10)	-	Non - recurring	Non related
Profit/(loss) on sale of fixed assets (net)	2.61	5.84	3.61	4.14	0.39	Non - recurring	Non related
Profit/(loss) on foreign exchange fluctuations (net)	1.66	(0.97)	14.69	(21.70)	(8.07)	Non - recurring	Non related
Other non-operating income	0.47	0.15	12.62	13.13	(0.03)	Non - recurring	Non related
Total	**100.35**	**139.00**	**145.23**	**100.27**	**140.15**		

Notes :

1) The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.
2) The classification of other income as recurring/non recurring and related /not related to business activity is based on the current operations and business activities of the Company as determined by the management.
3) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXV - Restated consolidated statement of cost of raw materials and components consumed

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Inventory at the beginning of the year					
Inventory acquired on acquisition					
Add : Purchases	134.55	35.86	23.78	20.05	16.77
	134.55	**35.86**	**23.78**	**20.05**	**16.77**
Less: Inventory at the end of the year					
Cost of raw material consumed	**134.55**	**35.86**	**23.78**	**20.05**	**16.77**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXVI - Restated consolidated statement of employee benefits expenses

(Amount in Rupees millions unless otherwise stated)

Particulars	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, wages and bonus	33,138.03	27,528.39	25,903.54	22,790.85	19,373.06
Contribution to provident and other Employee Benefit funds	4,204.64	3,204.09	2,578.00	2,156.97	1,699.18
Employee stock option compensation expense	76.66	35.70	32.12	(0.00)	94.47
Staff welfare expenses	467.32	394.26	406.50	435.65	428.28
Total	**37,886.64**	**31,162.43**	**28,920.15**	**25,383.47**	**21,594.99**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXVII - Restated consolidated statement of finance costs

(Amount in Rupees millions unless otherwise stated)

Particulars	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
Interest expense					
- on borrowings	648.44	437.21	355.30	227.54	290.81
Other borrowing costs	71.65	19.82	99.83	11.14	1.10
Bank charges	28.67	18.15	22.28	17.38	18.75
Total	**748.76**	**475.18**	**477.41**	**256.06**	**310.65**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXVIII - Restated consolidated statement of other expenses

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Rent	178.77	215.23	213.04	225.44	242.16
Cash van Crew Charges	106.02	150.91	88.95	36.05	22.09
Fuel & Lubricants	173.30	283.64	281.25	177.31	118.16
Repairs and Maintenance - Vehicles	54.08	91.44	68.67	49.17	48.96
Cash burial charges	1.17	9.35	3.05	-	-
Vehicle Hire charges	271.43	380.10	308.42	182.49	168.77
Contract Installation Charges	11.42	6.16	3.05	2.88	0.83
Other direct operating costs	2,614.53	2,360.49	2,236.88	1,887.69	1,546.12
Training expenses	25.25	22.13	31.98	31.22	34.90
Consumption of uniform and kit items	116.66	104.04	97.25	102.27	118.96
Freight and cartage	3.39	6.01	7.65	7.35	8.29
Recruitment expenses	68.80	41.37	11.80	21.36	25.01
Seminar and symposium	4.10	5.77	6.27	20.02	13.94
Seminar participation fee	-	-	0.01	1.26	0.71
Repairs and maintenance					
- Plant and machinery	16.56	11.56	8.56	14.19	10.45
- Building	15.65	24.23	17.21	13.98	18.23
Insurance	79.06	91.74	110.93	82.96	81.29
Rates and taxes	32.43	40.40	31.04	26.36	20.04
Postage and telephone	133.86	134.60	125.60	113.80	106.86
Printing and stationery	41.33	46.97	42.03	32.15	36.23
Travelling and conveyance	642.91	600.99	578.45	495.84	425.40
Business promotion	31.76	25.61	33.06	41.57	42.16
Royalty	10.13	6.58	4.00	3.25	2.28
Deduction & Discount	26.10	20.51	42.01	61.16	38.37
Tender fees	3.84	3.38	5.83	17.90	4.09
Legal and professional fees	240.55	228.20	184.38	187.41	190.70
Advertisement expenses	11.87	10.25	5.92	4.73	3.95
Director's travelling expenses	2.43	4.28	35.33	7.66	5.06
Auditors' remuneration					
As auditor:					
- Audit fee	15.04	15.95	14.84	12.07	12.77
- Taxation matters	0.27	1.42	1.20	1.72	0.96
- Other services	1.32	0.08	-	-	-
Bad debts written off	238.28	296.15	182.15	147.58	118.02
Less: Bad debts written off against opening provision	- 238.28	- 296.15	- 182.15	- 147.58	- 118.02
Loss on sale of fixed Assets (net)	0.14	-	-	-	-
Preliminary/pre-operative expenses written off	2.04	2.34	0.22	0.01	0.01
Corporate social responsibility expenses (Refer note 9 of Annexure XXXII)	16.92	9.26	8.57	-	-
Other Administration and General Expenses	202.18	148.38	80.13	72.55	100.71
Total	**5,403.37**	**5,399.54**	**4,869.73**	**4,081.39**	**3,566.47**

Notes:

1) The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.
2) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXIX - Restated consolidated statement of accounting ratios

(Amount in Rupees millions unless otherwise stated)

Particulars		**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/ (loss) per share (Rs)	A/D	13.29	11.12	9.21	10.09	8.50
Diluted earnings/ (loss) per share (Rs)	B/E	13.03	11.09	9.20	10.09	8.41
Return on net worth % (Refer Note 1(c) below)	A/C	16.81%	16.85%	15.79%	17.53%	18.09%
Net asset value per equity share (Rs.) (Refer Note 1(d) below)	C/F	79.05	66.00	58.31	57.56	47.00
Net profit/(loss) after tax (after preference dividend and related tax), as restated attributable to equity shareholders	A	912.79	757.30	626.79	686.61	571.52
Net profit/(loss) after tax, as restated	B	912.79	757.30	626.79	686.61	571.52
Net worth at the end of the year excluding preference share capital and cumulative preference dividend	C	5,430.93	4,493.52	3,968.75	3,917.64	3,159.27
Weighted average number of equity shares outstanding during the year, used for:						
Basic earnings/ (loss) per share (Refer Note 5 below)	D	68,680,867	68,074,270	68,060,859	68,044,245	67,216,049
Diluted earnings/ (loss) per share (Refer Note 5 below)	E	70,062,029	68,306,193	68,101,355	68,054,241	67,922,056
Total number of equity shares outstanding at the end of the year (Refer Note 5 below)	F	68,702,964	68,085,859	68,060,859	68,060,859	67,216,049

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings/ (loss) per share (Rs.) = $\dfrac{\text{Net profit/(loss) after tax, as restated attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

(b) Diluted earnings/(loss) per share(Rs.) = $\dfrac{\text{Net profit/(loss) after tax as restated}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$

(c) Return on net worth (%) = $\dfrac{\text{Net Profit after tax (after preference dividend and related tax) as restated}}{\text{Net worth at the end of the year excluding preference share capital and cumulative preference dividend}}$

(d) Net asset value per equity share (Rs.) = $\dfrac{\text{Net worth at the end of the year excluding preference share capital and cumulative preference dividend}}{\text{Total number of equity shares outstanding at the end of year}}$

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.

3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.

4) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including Securities Premium and Surplus in statement of profit and loss)+Share application money pending allotment.

5) On July 27, 2016, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment 10 (ten) Bonus Equity Shares of Rs. 10 each for every equity share of Rs. 10 each held by the members as on August 20,2016 including for all shares which may arise out of exercise of employee stock options and on conversion of CCDs. Subsequently, at a meeting of the board held on September 1, 2016, the Company decided to change the record date for the issue of bonus shares from August 20,2016 to September 15, 2016. As on this date, viz., September 15, 2016, a total of 6,245,724 equity shares were issued and paid up. On September 21, 2016, the Company issued and allotted 62,457,240 bonus equity shares of Rs. 10 each and, accordingly, a sum of Rs. 624.57 million was capitalised, on allotment of the bonus shares, out of the Company's General reserves outstanding as on March 31, 2016 and was transferred to the Share Capital Account towards issue of fully paid-up bonus shares pursuant to which the paid-up equity share capital of the Company increased from Rs. 62.46 million to Rs. 687.03 million.

6) The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.

7) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Annexure XXX – Restated consolidated statement of dividend declared

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
Issued number of shares (in '000)	68,702.97	6,200.16	6,175.16	6,175.16	5,330.35
Face value per share	10.00	10.00	10.00	10.00	10.00
Rate of dividend	-	-	-	-	-
Rate of interim dividend	0.00%	436.14%	260.00%	351.38%	195.06%
Amount of interim dividend	0.00	270.41	160.55	216.98	103.97
Dividend tax on interim dividend	0.00	39.32	-	9.11	16.87

Security and Intelligence Services (India) Limited
Notes to the Restated Consolidated Financial Information of Security and Intelligence Services (India) Limited
Annexure XXXI -Restated consolidated statement of capitalisation

(Amount in Rupees millions unless otherwise stated)

Particulars	**Pre-Issue as at March 31, 2017**	***As adjusted for issue**
Debt		
Short term borrowings	2,795.22	
Long term borrowings	4,059.53	
Current portion of long term borrowings included in other current liabilities	770.43	
Total debt (A)	**7,625.18**	
Shareholders' funds		
Share capital	687.03	
Reserves and surplus as restated		
General reserve	190.43	
Securities premium account	751.38	
Employee stock options outstanding account	77.21	
Surplus/(deficit) in the statement of profit and loss	3,870.00	
Total shareholders' funds (B)	**5,576.05**	
Total Debt/ equity ratio (A/B)	**1.37**	

Notes:

*1) The Post issue debt equity ratio will be computed on the conclusion of book building process" as part of column "Adjusted for the offer.

2) Since July 27, 2016 the issued share capital was increased from Rs. 62.46 million to Rs. 687.03 million by the issue of bonus shares in the ratio of 10 equity shares for every 1 equity share.

3) Pursuant to the Investment Agreement, Theano held 1,727,485 CCDs and AAJV held 34,895 CCDs. Pursuant to the Second Amendment Agreement, the CCDs will be converted to 22 Equity Shares (of which 11 Equity Shares will be allotted to each of Theano and AAJV) prior to the filing of the Red Herring Prospectus with the RoC. Further, 11,264 equity shares has been allotted on 20 June, 2017, pursuant to exercise of vested options outstanding as on the said date. Accordingly, prior to the filing of the Red Herring Prospectus with the RoC, the issued and subscribed share capital of the Company was Rs. 687,143,530 consisting of 68,714,353 Equity Shares; and the paid up share capital of the Company was Rs. 687,142,280, consisting of 68,714,228 Equity Shares.

4) The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.

5) The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII.

Security and Intelligence Services (India) Limited

Annexure XXXII - Notes to restated Consolidated Summary of Statements of Assets and Liabilities, Profit and Loss and Cash Flows

1 **Leases**

Operating Lease - Company as lessee

a. The Company has taken office premises and cash vaults under cancellable operating lease agreements. All the lease agreements are cancellable with a notice period ranging from 2 months to 6 months. There are no restrictions imposed by the lease agreements. There are no sub leases. The lease agreements for office premises range for a period from one to nine years, which include both cancellable and non-cancellable leases. Some of the leased premises can be renewed at terms mutually agreeable to the Company and the lessor.

The total lease rentals recognised as an expense in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees millions unless otherwise stated)

Particulars	**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**
With respect to all operating leases:					
Lease rentals	496.97	510.31	478.58	400.19	331.02

b. Future minimum rentals payables under non-cancellable operating leases are as follows :-

(Amount in Rupees millions unless otherwise stated)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Minimum lease payments					
Not later than one year	216.93	158.35	147.85	212.62	262.95
Later than one year and not later than five years	490.83	358.72	177.85	199.09	-
Later than five years	343.90	180.39	12.45	23.54	331.02
	1,051.65	**697.45**	**338.16**	**435.24**	**593.97**

2 **Contingent liabilities**

(Amount in Rupees millions unless otherwise stated)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Guarantees and bonds issued on behalf of the Group	1,028.34	617.46	786.32	505.24	307.11
Others for which the Group is contingently liable	41.39	2.70	1.25	1.20	0.92
Claims against the company not acknowledged as debts	192.65	54.45	36.34	23.38	14.82
	1,262.38	**674.61**	**823.91**	**529.81**	**322.85**

3 Gratuity plan:

The Group has a defined benefit gratuity plan. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The scheme is partially funded with LIC Insurance.

The following tables summarises the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet:

(Amount in Rupees millions unless otherwise stated)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Statement of profit and loss					
Net employee benefit expense recognized in employee cost					
Current service cost	81.44	57.02	44.24	29.05	18.29
Interest cost on benefit obligation	31.86	24.15	20.00	12.56	8.95
Expected return on plan assets	(5.18)	(4.30)	(3.53)	(2.66)	(1.96)
Net actuarial (gain)/ loss recognized in the year	19.81	10.22	5.57	13.68	21.86
Net benefit expense	**127.93**	**87.09**	**66.28**	**52.63**	**47.14**
Actual return on plan assets					
Expected return on plan assets	5.18	4.30	3.53	2.66	1.96
Actuarial gain/(loss) on plan assets	(2.87)	(0.68)	(2.54)	(1.28)	1.34
Actual return on plan assets	**2.31**	**3.62**	**0.99**	**1.37**	**3.29**
Balance sheet					
Benefit liability					
Present value of defined benefit obligation	531.62	362.10	310.17	244.40	190.53
Fair value of plan assets	133.29	95.83	78.11	61.36	44.53
Plan liability	**(398.33)**	**(266.27)**	**(232.06)**	**(183.04)**	**(146.00)**
Changes in the present value of the defined benefit obligation are as follows:					
Opening defined benefit obligation	362.10	310.17	244.40	190.53	142.63
JV adjustement	-	(29.15)	-	-	-
Acquired liability	67.53	-	-	-	-
Interest cost	31.86	24.15	20.00	12.56	8.95
Current service cost	81.44	57.02	44.24	29.05	18.29
Benefits paid	(28.25)	(9.63)	(1.50)	(0.13)	(2.54)
Actuarial (gain)/ loss on obligation	16.94	9.54	3.04	12.40	23.20
Closing defined benefit obligation	**531.62**	**362.10**	**310.17**	**244.40**	**190.53**
Changes in the fair value of plan assets are as follows:					
Opening fair value of plan assets	95.83	78.11	61.36	44.53	36.91
JV adjustement	-	(1.23)	-	-	-
Expected return on plan assets	5.18	4.30	3.53	2.66	1.96
Contributions by employer	58.05	24.96	17.27	15.59	6.87
Benefits paid	(22.90)	(9.63)	(1.50)	(0.13)	(2.54)
Actuarial gain/ (loss)	(2.87)	(0.68)	(2.54)	(1.28)	1.34
Closing fair value of plan assets	**133.29**	**95.83**	**78.11**	**61.36**	**44.53**
Expected contribution by Company to gratuity in the next year as at the respective year ends	20.00	18.21	16.70	15.00	5.32
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:					
LIC Insurance	100.00%	100.00%	100.00%	100.00%	100.00%
The principal assumptions used in determining gratuity obligations for the Company’s plans are shown below:					
Discount rate	7.40%	7.95%	7.40%	7.95%	7.95%
Expected rate of return on plan assets	7.50%	7.50%	7.50%	7.50%	7.50%
Salary growth rate					
- Billing	5.00%	5.00%	5.00%	5.00%	5.00%
- Non billing	8.00%	8.00%	8.00%	8.00%	8.00%

Rates of leaving service at specimen ages are as shown below:

For Billing Employee					
Age:					
21-30	40.00%	40.00%	40.00%	40.00%	40.00%
31-34	35.00%	35.00%	35.00%	35.00%	35.00%
35-40	30.00%	30.00%	30.00%	30.00%	30.00%
41-45	25.00%	25.00%	25.00%	25.00%	25.00%
46-59	20.00%	20.00%	20.00%	20.00%	20.00%
For Non-Billing Employee					
21-30	15.00%	15.00%	15.00%	15.00%	15.00%
31-40	13.00%	13.00%	13.00%	13.00%	13.00%
41-50	11.00%	11.00%	11.00%	11.00%	11.00%
51 & Above	9.00%	9.00%	9.00%	9.00%	9.00%
Normal retirement age (years)	60 - 70	60 - 70	60 - 70	60 - 70	60 - 70
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current and previous four periods are as follows:

(Amount in Rupees millions unless otherwise stated)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Defined benefit obligation	531.62	362.10	310.17	244.40	190.53
Plan assets	133.29	95.83	78.11	61.36	44.53
Surplus / (deficit)	(398.33)	(266.27)	(232.06)	(183.04)	(146.00)
Experience adjustments on plan assets	(0.86)	(2.94)	(1.25)	1.34	1.00
Experience adjustments on plan liabilities	(2.35)	(4.80)	18.81	18.18	(11.09)

As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

4 Employee stock option plans

March 31, 2013

(i) In 2008, the Company had announced an Employee Stock Option Plan (ESOP 2008) under which 59,000 options were granted to 59 employees and the said options were to vest over a period of three years. During the year 2009-10 the ESOP remuneration committee had allotted 14,498 shares to 57 employees under the said scheme. Further, another 11,350 shares were allotted to 54 employees in year 2010-11 and another 28,625 shares were allotted to 55 employees in the year 2011-12. The balance of the options forfeited or lapsed under the terms of the plan.

(ii) In 2011, the Company announced another Employee Stock Option Plan (ESOP 2011) under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year 2011-12, the ESOP remuneration committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP remuneration committee announced the vesting of 11,511 options to eligible employees and the remaining 1,365 options have either lapsed or been forfeited in terms of the plan. The options, which vested in the year ended March 31, 2013, are now excercisable by the employees over a period of three years subject to certain conditions being fulfilled.

March 31, 2014

(i) In 2011, the Company announced another Employee Stock Option Plan (ESOP 2011) under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year 2011-12, the ESOP remuneration committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP remuneration committee announced the vesting of 11,511 options to eligible employees and the remaining 5,613 options have either lapsed or been forfeited in terms of the plan. Further, during the year ended March 31, 2014, 259 options of employees, who have left the Company, have been forfeited. The remaining 11,252 options to 207 employees, which vested in the year ended March 31, 2012, are now excercisable by the employees over a period of two years subject to certain conditions being fulfilled.

March 31, 2015

(i) In 2011, the Company announced another Employee Stock Option Plan (ESOP 2011) under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year 2011-12, the ESOP remuneration committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP remuneration committee announced the vesting of 11,511 options to eligible employees and the remaining 5,613 options have either lapsed or been forfeited in terms of the plan. Further, during the year ended March 31, 2014, 259 options of employees, who have left the Company, have been forfeited and during the year ended March 31, 2015, a further 535 options, in respect of employees who have left the Company, have been forfeited. The remaining 10,717 options to 197 employees, which vested in the year ended March 31, 2013, are now excercisable by the employees over a period of two years subject to certain conditions being fulfilled.

(ii) In 2014, the ESOP remuneration committee announced another Employee Stock Option Plan (ESOP 2014) under which a total of 30,500 options were granted to 4 employees including one employee of a subsidiary in the Group. The said 30,500 options are to vest in tranches over terms ranging from 12 months to 50 months from the date of the grant.

March 31, 2016

In 2011, the Company announced the grant of stock options under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year ended March 31, 2012, the ESOP Remuneration Committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP Remuneration Committee announced the vesting of 11,511 options to eligible employees and the remaining 5,613 options either lapsed or were forfeited in terms of the plan. During the year ended March 31, 2014, 2015 and 2016, out of the options vested during the year ended March 31, 2103; 259 options, 535 options and 362 options have been forfeited respectively during the years in respect of employees who have resigned from the company. The remaining 10,355 options to 185 employees, which vested in the year ended March 31, 2013, are now exercisable by the employees over a period of two years subject to certain conditions being fulfilled.

Subsequently in 2014, the ESOP Remuneration Committee announced another grant under which a total of 30,500 options were granted to 4 employees including one employee of a subsidiary in the Group. Against which 25,000 shares were allotted during the year ended March 31, 2016. The remaining 5,500 options are to vest in tranches over the next 3 years. A further 3,500 options were granted by the ESOP Remuneration Committee in 2015 which is to vest in the year ended March 31, 2017 and available for exercisable within one year of vesting.

March 31, 2017
ESOP 2008

In 2011, the Company announced a grant of stock options under which a total of 30,000 options were granted to 285 employees and the said options were to vest over a period of two years. During the year ended March 31, 2012, the ESOP Remuneration Committee allotted 12,876 shares to 279 employees under the said scheme. During the year ended March 31, 2013, the ESOP Remuneration Committee announced the vesting of 11,511 options to eligible employees and the remaining 5,613 options either lapsed or were forfeited in terms of the plan. During the year ended March 31, 2014, 2015 & 2016 a further 259 options, 535 Options and 362 options respectively in respect of employees who have left the company, have been forfeited. The remaining 10,355 options to 185 employees, which vested in the year ended March 31, 2013, are now exercisable by the employees over a period of two years subject to certain conditions being fulfilled.

In 2014, the ESOP Remuneration Committee announced another grant under which a total of 30,500 options were granted to 4 employees including one employee of a subsidiary in the Group. Against that 25,000 and 1,500 shares were allotted during the year ended March 31, 2016 and during the year ended March 31, 2017 respectively. The remaining 4,000 options are to vest in tranches over the next 2 years.

In 2015, the ESOP Remuneration Committee announced another grant under which a total of 3,500 options were granted which were vested and exercised during the year ended March 31, 2017.

In 2016, the ESOP Remuneration Committee announced another grant under which a total of 2,096 options were granted which will vest and be exercised over a period of four year from the date of the grant.

ESOP 2016

In 2016, the ESOP Remuneration Committee announced ESOP 2016 under which it granted a total of 1,216,000 options which will vest over a period of four years from the date of the grant. 10%, 20%, 30% and 40% of vested options will be eligible for exercise after August 1, 2020 subject to fulfilment of certain conditions.

All options under ESOP 2008 will now be governed by the terms of ESOP 2016 except in respect of vesting and exercise which will still be governed by the terms mentioned in the respective grant letters. The options granted under ESOP 2008 will be adjusted for the bonus issue in September 2016 when the same are exercised by the option holders.

Particulars	Plan I (ESOP 2008)					
	Grant I	**Grant II**	**Grant III (a)**	**Grant III (b)**	**Grant IV**	**Grant V**
Year of grant	2008	2011	2014	2014	2015	2016
Number of options granted	59000	30000	10500	20000	3500	2096
Method of settlement (Cash/Equity)	Equity	Equity	Equity	Equity	Equity	Equity
Date of grant	28-Oct-08	14-Jan-11	01-Jul-14	29-Sep-14	01-Apr-15	04-Apr-16
Exercise period	28 October 2009, 28 October 2010, 28 October 2011	28 October 2011, 28 October 2012	1 July 2015, 1 September 2016, 1 September 2016, 1 September 2017, 1 September 2018	28 October 2015	1 April 2016, 1 September 2016	4 April 2016, 4 April 2017, 4 April 2018, 4 April 2019, 4 April 2020
Other vesting conditions	Performance conditions	Performance conditions	Performance conditions	Nil	Performance Conditions	Performance Conditions
Other conditions	-	-	-	Shares with restricted transferability unto 5 years from date of issue	-	-
Exercise period	One month from date of vesting	Till 31 March 2018	One month from date of vesting	Three months from date of vesting	One month from date of vesting	One year from the date of each vesting.
Exercise Price	Rs. 10	Rs. 10	Rs. 10	Rs. 10	Rs. 10	Rs. 10
Fair value of shares at the time of grant	Rs. 64.94	Rs. 133.51	Rs. 2086.09	Rs. 1632.87	Rs. 2215.24	Rs. 2245.89

Particulars	**Plan II (ESOP 2016)**
	Grant VI
Year of grant	2016
Number of options granted	1216000
Method of settlement (Cash/Equity)	Equity
Date of grant	01-Aug-16
Vesting Dates	1 Aug 2016, 1 Aug 2017, 1 Aug 2018, 1 Aug 2019, 1 Aug 2020
Other vesting conditions	Performance conditions
Other Conditions	-
Exercise period	Immediately post vesting at prevailing market price; or from 1 August 2020 to 1 August 2022
Exercise price	Rs. 10
Fair value of options at the time of grant	Rs. 190.81

The details of expected life are summarized below:

The details of activities under ESOP 2011 option (Grant II) are summarized below:

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Options outstanding at the beginning of the year	10,355	10,717	11,252	11,511	12,876
Granted during the year	-	-	-	-	-
Forfeited during the year	361	362	535	259	1,365
Exercised during the year				-	-
Options outstanding at the end of the year	9,994	10,355	10,717	11,252	11,511
Exercisable at the end of the year					

The parent company has granted 30500 options during the year 2014-15 (Grant III a and III b). The details of activities under Grant III a and III b are summarized below:

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Options outstanding at the beginning of the year	5,500	30,500	-	-	-
Granted during the year		-	30,500	-	-
Forfeited during the year		-	-	-	-
Exercised during the year	1,500	25,000	-	-	-
Options outstanding at the end of the year	4,000	5,500	30,500	-	-
Exercisable at the end of the year					

The details of activities under ESOP 2015 option (Grant IV) are summarized below:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Options outstanding at the beginning of the year	3,500	-	-	-	-
Granted during the year	-	3,500	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	3,500	-	-	-	-
Options outstanding at the end of the year	-	3,500	-	-	-
Exercisable at the end of the year					

The details of activities under ESOP 2016 option (Grant V) are summarized below:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Options outstanding at the beginning of the year	-	-	-	-	-
Granted during the year	2,096	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	-	-
Options outstanding at the end of the year	2,096	-	-	-	-
Exercisable at the end of the year					

The details of activities under ESOP 2016 option (Grant VI) are summarized below:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Options outstanding at the beginning of the year	-	-	-	-	-
Granted during the year	1,216,000	-	-	-	-
Forfeited during the year	11,850	-	-	-	-
Exercised during the year	-	-	-	-	-
Options outstanding at the end of the year	1,204,150	-	-	-	-
Exercisable at the end of the year					

The details of weighted average remaining contractual life (in years) are summarized below:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
ESOP 2008 Option (Grant I)	-	-	-	-	-
ESOP 2011 Option (Grant II)	-	2.00	2.00	2.00	3.00
ESOP 2014 Option (Grant IIIA)	-	1.56	1.56		
ESOP 2014 Option (Grant IIIB)	-	-	0.71		
ESOP 2015 Option (Grant IV)	-	0.16			
ESOP 2008 Option (Grant V)	3.00				
ESOP 2016 Option (Grant VI)	5.00				

Weighted Average Exercise Price:
Since all the options were granted at an exercise price of INR 10/- per option, the weighted average exercise price per option is the same.

The Company has adopted intrinsic value method as permitted by the Guidance Note on Accounting for Employee Share Based Payments issued by The Institute of Chartered Accountants of India in respect of stock options granted. The value of underlying shares has been determined by an independent valuer. Employee stock option compensation expense is recognised on a straight line basis over the requisite service period of the entire award in accordance with alternative accounting treatment specified in the aforesaid Guidance Note.

The Company's net profit and earnings per share would have been as under, had the compensation cost for employees' stock options been recognised on the fair value at the date of grant in accordance with Black-Scholes Model.

(Amounts in Rupees Millions unless otherwise stated)

Particulars	**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**
Profit after tax as restated	912.79	757.30	626.79	686.61	571.52
Add: ESOP cost using the intrinsic value method	76.66	35.70	32.12	(0.00)	-
Less: Income tax expense thereon	(26.53)	(12.13)	(10.90)	0.00	-
Less: ESOP cost using the fair value method	69.44	29.02	22.19	(0.03)	0.74
Less: Income tax expense thereon	(24.03)	(9.86)	(7.53)	0.01	(0.24)
Proforma profit after tax	**917.51**	**761.71**	**633.35**	**686.63**	**571.02**
Earnings Per Share					
Basic					
- Number of shares	68,680,867	68,074,270	68,060,859	68,044,245	67,216,049
- As reported	13.29	11.12	9.21	10.09	8.50
- Proforma	13.36	11.19	9.31	10.09	8.50
Diluted					
- Number of shares	70,062,029	68,306,193	68,101,355	68,054,241	67,922,056
- As reported	13.03	11.09	9.20	10.09	8.41
- Proforma	13.10	11.15	9.30	10.09	8.41

Following assumptions were used for calculation of fair value of options as at the date of grant:

2011 option (Grant II)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	2.00%	2.00%	2.00%	2.00%	2.00%
Expected volatility	27.04%	27.04%	27.04%	27.04%	27.04%
Risk-free interest rate	7.53%	7.53%	7.53%	7.53%	7.53%
Weighted average share price (Rs.)	146.40	146.40	146.40	146.40	146.40
Exercise price (Rs.)	10.00	10.00	10.00	10.00	10.00
Expected life of options granted in years	1.33	1.33	1.33	1.33	1.33

2014 option (Grant III (a))

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	1.75%	1.75%	1.75%	-	-
Expected volatility	26.44%	26.44%	26.44%	-	-
Risk-free interest rate	8.23%	8.23%	8.23%	-	-
Weighted average share price (Rs.)	2,180.00	2,180.00	2,180.00	-	-
Exercise price (Rs.)	10.00	10.00	10.00	-	-
Expected life of options granted in years	2.30	2.30	2.30	-	-

2014 option (Grant III (b))

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	1.75%	1.75%	1.75%	-	-
Expected volatility	21.08%	21.08%	21.08%	-	-
Risk-free interest rate	8.35%	8.35%	8.35%	-	-
Weighted average share price (Rs.)	1,677.00	1,677.00	1,677.00	-	-
Exercise price (Rs.)	10.00	10.00	10.00	-	-
Expected life of options granted in years	1.21	1.21	1.21	-	-

2014 option (Grant IV)

Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend yield (%)	1.75%	1.75%	-	-	-
Expected volatility	23.15%	23.15%	-	-	-
Risk-free interest rate	7.84%	7.84%	-	-	-
Weighted average share price (Rs.)	2,270.00	2,270.00	-	-	-
Exercise price (Rs.)	10.00	10.00	-	-	-
Expected life of options granted in years	1.16	1.16	-	-	-

2016 option (Grant V)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Dividend yield (%)	1.75%	-	-	-	-
Expected volatility	26.62%	-	-	-	-
Risk-free interest rate	7.21%	-	-	-	-
Weighted average share price (Rs.)	2,180.00	-	-	-	-
Exercise price (Rs.)	10.00	-	-	-	-
Expected life of options granted in years	3.00	-	-	-	-

2016 option (Grant VI)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Dividend yield (%)	1.75%	-	-	-	-
Expected volatility	29.18%	-	-	-	-
Risk-free interest rate	7.10%	-	-	-	-
Weighted average share price (Rs.)	215.91	-	-	-	-
Exercise price (Rs.)	10.00	-	-	-	-
Expected life of options granted in years	5.00	-	-	-	-

Notes:
(i) Since shares of Company are unlisted, volatility is based on historical volatility of comparable companies.
(ii) Expected life of options is based on average of time till vesting and total term of the options. For this purpose, each vest has been considered separately and thereafter a weighted average has been calculated.

5 Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006.

To the extent of information is available, the Company has no overdue amounts outstanding to any small scale industry.

6 Details of estimated amount of contracts remaining to be executed on capital account and not provided for:

(Amount in Rupees millions unless otherwise stated)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1.81	1.24	0.67	2.57	21.80
	1.81	**1.24**	**0.67**	**2.57**	**21.80**

7 Segment reporting

a) Primary segments

The business segment has been considered as the primary segment on the basis that the risks and returns of the Group is primarily determined by the nature of products and services. Consequently, the geographical segment has been considered as a secondary segment.

The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organisation structure and the internal financial reporting system.

The business segment comprises of Security services, cash logistics and facility management services. The business segment comprising of cash logistics, electronic security and facility management services individually constitute less than 10% of both the revenue and profits of the group, they are combined and classified under "others" category.

The Group operates in two geographies, viz., India and Australia. In Australia, the Group’s business consists only of Security services. Therefore, given that the risks and returns of each business and geography in which they operate are different, the segment results of the Group are presented geographically for each the Group’s business across India and Australia to enable better appreciation of the risks and returns of the Group across its various businesses and geographies in which they operate.

Segment wise business performance for the year respective year ends are as follows:

(Amount in Rupees millions unless otherwise stated)

	Particulars	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)	**Revenue**					
	External					
	Security Services (India)	15,874.80	12,548.02	10,262.65	8,017.00	5,614.76
	Other (India)	5,839.78	3,874.14	2,636.92	1,604.53	1,126.53
	Total	**21,714.58**	**16,422.16**	**12,899.57**	**9,621.53**	**6,741.29**
	Security Services (Outside India)	23,945.35	21,925.88	22,509.35	21,338.49	19,670.66
	Other (Outside India)	10.94	14.17	97.36	16.54	24.90
	Total	**23,956.29**	**21,940.06**	**22,606.71**	**21,355.03**	**19,695.57**
	Total revenue	**45,670.87**	**38,362.21**	**35,506.28**	**30,976.56**	**26,436.86**
(ii)	**Segment result**					
	Security Services (India)	700.36	541.18	304.52	410.77	382.00
	Other (India)	57.40	(119.61)	(5.34)	(68.42)	(76.39)
	Security Services (Outside India)	1,021.67	925.04	868.52	841.21	702.36
	Total	**1,779.43**	**1,346.61**	**1,167.71**	**1,183.56**	**1,007.97**
	Interest expense					
	Security Services (India)	523.30	181.78	222.71	117.08	140.31
	Other (India)	69.31	105.51	69.72	47.09	35.26
	Security Services (Outside India)	150.88	144.71	62.88	63.37	115.24
	Total	**743.49**	**432.01**	**355.30**	**227.54**	**290.81**
	Interest, dividend and other income					
	Security Services (India)	62.723	62.146	61.136	7.92	(5.17)
	Other (India)	(23.92)	55.55	41.59	49.64	72.04
	Security Services (Outside India)	61.54	21.30	42.51	42.70	73.28
	Total	**100.35**	**139.00**	**145.23**	**100.26**	**140.15**
	Restated profit before tax					
	Security Services (India)	239.79	421.54	142.95	301.61	236.52
	Other (India)	(35.83)	(169.57)	(33.47)	(65.86)	(39.61)
	Security Services (Outside India)	932.33	801.63	848.15	820.54	660.40
	Total	**1,136.29**	**1,053.60**	**957.64**	**1,056.29**	**857.31**
	Restated tax expense					
	Security Services (India)	-25.82	149.74	57.74	137.45	104.25
	Other (India)	-7.27	(98.40)	(6.42)	(13.09)	(8.92)
	Security Services (Outside India)	256.59	244.96	279.53	245.32	190.46
	Total	**223.50**	**296.30**	**330.85**	**369.68**	**285.79**
	Restated profit after tax					
	Security Services (India)	265.61	271.80	85.21	164.16	132.27
	Other (India)	(28.56)	(71.17)	(27.05)	(52.77)	(30.69)
	Security Services (Outside India)	675.74	556.67	568.62	575.22	469.94
	Total	**912.79**	**757.30**	**626.79**	**686.61**	**571.51**

Segment wise assets and liabilities are provided as below:

(Amount in Rupees millions unless otherwise stated)

	Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
(iii)	**Segment assets**					
	Security Services (India)	9,029.86	5,173.28	4,393.85	3,629.42	3,038.69
	Other (India)	7,958.51	3,318.58	4,649.15	1,566.08	1,358.95
	Security Services (Outside India)	10,408.21	8,892.72	8,278.40	6,923.65	6,400.25
	Inter Company	(6,907.78)	(2,581.91)	(2,641.55)	(559.30)	(429.29)
	Total	**20,488.80**	**14,802.67**	**14,679.85**	**11,559.85**	**10,368.60**
(iv)	**Segment liabilities**					
	Security Services (India)	7,316.49	3,890.17	3,176.04	2,514.81	2,156.22
	Other (India)	3,346.72	1,129.39	1,546.94	769.07	537.04
	Security Services (Outside India)	6,357.76	5,456.84	5,459.89	4,136.14	4,008.35
	Inter Company	(2,108.98)	(193.00)	(236.50)	(141.58)	(45.33)
	Total	**14,911.99**	**10,283.40**	**9,946.37**	**7,278.45**	**6,656.28**
(v)	**Capital Expenditure**					
	Security Services (India)	462.89	307.03	153.75	296.49	160.27
	Other (India)	120.16	274.43	231.77	188.62	211.73
	Security Services (Outside India)	87.34	77.14	83.03	59.40	62.14
	Discontinued operations	-	-	-	-	-
	Total	**670.39**	**658.60**	**468.55**	**544.51**	**434.14**
(vi)	**Depreciation/ amortisation**					
	Security Services (India)	236.98	210.31	268.03	110.80	90.49
	Other (India)	164.51	167.14	135.72	103.52	73.79
	Security Services (Outside India)	54.98	54.13	50.61	90.93	91.03
	Discontinued operations	-	-	-	-	-
	Total	**456.47**	**431.57**	**454.36**	**305.24**	**255.30**

b) Geographical segment

(Amount in Rupees millions unless otherwise stated)

	Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
(i)	**Segment revenue**					
	Within India	21,714.58	16,422.16	12,899.57	9,621.53	6,741.29
	Outside India	23,956.29	21,940.06	22,606.72	21,355.03	19,695.57
	Total	**45,670.87**	**38,362.22**	**35,506.28**	**30,976.56**	**26,436.86**
(ii)	**Carrying amount of segment assets**					
	Within India (incl Elimination)	1,526.36	1,083.39	1,914.96	1,493.89	1,320.42
	Outside India	4,050.45	3,435.88	2,818.51	2,787.51	2,391.91
	Total	**5,576.81**	**4,519.27**	**4,733.48**	**4,281.40**	**3,712.33**
(iii)	**Additions to tangible and intangible assets**					
	Within India	583.05	581.46	385.52	485.11	372.00
	Outside India	87.34	77.14	83.03	59.40	62.14
	Total	**670.39**	**658.60**	**468.55**	**544.51**	**434.14**

8 March 31, 2013

MSS Security Pty Ltd is a wholly owned subsidiary of the Company. It had declared an incentive scheme for its employees. Under this scheme, if the management of the Company so decides, instead of cash, share options in Security & Intelligence Services (India) Limited could be issued to the employees of SIS MSS Security Holding Pty Ltd covered under this scheme. In case share options in the Company were to be issued under this scheme, MSS Security Pty Ltd had to pay to the Company the value of such shares. A charge had been created in the previous years against this transaction and accordingly a sum of Rs. 67.74 million was treated as MSS Staff Incentive Liability which was to be transferred to Share Capital and Share Premium Account in the event share options were to be issued to those employees. However, during financial year 2012-13, MSS Security Pty Limited has decided to settle payments under this scheme in cash and has paid the respective amounts to those employees who were covered under this scheme.

9 Corporate Social Reasonability (CSR)

In the case of Company, CSR committee has been formed by the Company during the year 2014-15 to monitor CSR related activities. The Company has contributed as at March 31, 2017 amounting to Rs. 16.92 million, March 31, 2016 amounting to Rs Rs 9.26 millions (March 31, 2015 Rs 8.57 Millions) respectively, out of the total contributable amount for the year ended March 31, 2017 Rs. 7.06 million, March 31, 2016 of Rs 8.91 millions (March 31, 2015 Rs.7.75 millions) in accordance with section 135 read with schedule VII to the Companies Act, 2013.

(Amount in Rupees millions unless otherwise stated)

10 Disclosure on Specified Bank Notes (SBN's)

During the year end March 31, 2017, the Company had specified bank notes or other denomination note as required in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November, 8 2016 to December,30 2016. The denomination wise SBN's and other notes as per the notification is given below:

Particulars	**SBN's**	**Other denomination notes**	**Total**
Closing cash in hand as on November 8, 2016	129.29	1.18	130.47
Add: Permitted receipts	0.04	36.74	36.78
Less: Permitted payments	1.26	15.86	17.12
Less: Amount deposited in Banks	128.08	17.96	146.04
Closing cash in hand as on December 30, 2016	**-**	**4.09**	**4.09**

11 Disclosure relating to entities considered in the consolidated financial statements

(a) Subsidiaries considered for consolidation:

Name of the subsidiary	Country of incorporation	Proportion of ownership interest				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
SIS Cash Services Private Limited	India	NA	NA	51.00%	51.00%	51.00%
SIS Prosegur Holdings Private Limited	India	NA	NA	51.00%	NA	NA
Service Master Clean Limited	India	100.00%	100.00%	100.00%	100.00%	100.00%
Tech SIS Limited	India	100.00%	100.00%	100.00%	100.00%	100.00%
Terminix SIS India Private Limited	India	50.01%	50.01%	50.01%	50.01%	50.01%
Sunrays Overseas Private Limited	India	100.00%	100.00%	100.00%	NA	NA
Vardan Overseas Private Limited	India	100.00%	100.00%	100.00%	NA	NA
Dusters Total Solutions Services Private Limited	India	78.72%	NA	NA	NA	NA
Lotus learning Private Limited	India	100.00%	NA	NA	NA	NA
SIS Business Support Services and Solutions	India	100.00%	NA	NA	NA	NA
SISCO Security Services Private Limited	India	100.00%	NA	NA	NA	NA
SIS International Holdings Limited	BVI	100.00%	100.00%	100.00%	100.00%	100.00%
SIS Asia Pacific Holdings Limited	Malta	100.00%	100.00%	100.00%	100.00%	100.00%
SIS Australia Holdings Pty Limited	Australia	100.00%	100.00%	100.00%	100.00%	100.00%
SIS Australia Group Pty Limited	Australia	100.00%	100.00%	100.00%	100.00%	100.00%
SIS Group International Holdings Pty Limited	Australia	100.00%	100.00%	100.00%	100.00%	100.00%
MSS Strategic Medical and Rescue Pty Limited	Australia	100.00%	100.00%	100.00%	100.00%	100.00%
SIS MSS Security Holdings Pty Limited	Australia	100.00%	100.00%	100.00%	100.00%	100.00%
MSS Security Pty Limited	Australia	100.00%	100.00%	100.00%	100.00%	100.00%
Australian Security Connections Pty Limited	Australia	100.00%	100.00%	100.00%	100.00%	100.00%
MSS Security Group Pty Limited	Australia	NA	NA	NA	100.00%	100.00%

(b) Associates considered for consolidation:

Name of the associate	Country of incorporation	Proportion of ownership interest				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Southern Cross Protection Pty Limited	Australia	10.00%	10.00%	10.00%	10.00%	NA

During the year ended on March 31, 2017, the Group has received dividends aggregating Rs. 6.84 millions (March 31, 2016 Rs. 6.65 millions), (March 31, 2015 Rs. 3.9 millions), (March 31, 2014 Rs. 5.56 millions), (March 31, 2013 Rs. 2.22 millions) through investments in associates.

(c) Joint ventures (Jointly controlled entities) considered for consolidation:

Name of Joint Venture	Country of incorporation	Proportion of ownership interest				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
SIS Cash Services Private Limited	India	49.00%	49.00%	NA	NA	NA
SIS Prosegur Holdings Private Limited	India	49.00%	49.00%	NA	NA	NA
SIS Prosegur Alarm Monitoring and Response Services Private Limited	India	50.00%	50.00%	NA	NA	NA
SIS Prosegur Cash Logistics Private Limited	India	49.00%	49.00%	NA	NA	NA

Notes:

(i) As at March 31, 2017, the Company held 49% stake (March 31, 2015 : 51%) in SIS Cash Services Private Limited, a jointly controlled entity, which is engaged in the business of Cash-in-transit, ATM cash replenishment activities. The company held 51% stake as on March 31, 2015 and consequently reported as subsidiary of the Company on that date.

12 **Disclosure as required by Schedule III of the Companies Act, 2013:**

(Amount in Rupees millions unless otherwise stated)

Name of entity	Net assets as at March 31, 2017	Share in Profit or (Loss) for the year ended March 31, 2017	Net assets as at March 31, 2016	Share in Profit or (Loss) for the year ended March 31, 2016	Net assets as at March 31, 2015	Share in Profit or (Loss) for the year ended March 31, 2015	Net assets as at March 31, 2014	Share in Profit or (Loss) for the year ended March 31, 2014	Net assets as at March 31, 2013	Share in Profit or (Loss) for the year ended March 31, 2013
Parent										
Security & Intelligence Services (India) Limited	1,266.41	297.46	730.95	265.26	696.36	59.95	695.58	164.16	729.13	132.27
Subsidiaries										
Indian										
SIS Cash Services Private Limited	-	-	-	-	728.65	(28.82)	690.12	(21.88)	481.58	(16.15)
SIS Prosegur Holdings Private Limited	-	-	-	-	858.01	(75.06)	-	-	-	-
Service Master Clean Limited	1,321.04	(11.46)	897.21	(14.51)	986.48	(10.40)	76.12	(17.54)	94.34	(13.79)
Tech SIS Limited	23.24	6.85	21.25	(11.99)	35.11	1.96	(8.38)	(9.90)	(0.46)	(0.59)
Terminix SIS India Private Limited	7.66	(46.00)	49.50	(37.57)	89.57	(39.61)	40.55	(43.09)	15.89	(39.00)
Sunrays Overseas Private Limited	1.67	(4.79)	6.90	(2.67)	8.27	(0.56)	-	-	-	-
Vardan Overseas Private Limited	1.32	(4.86)	6.62	(2.76)	8.09	(0.56)	-	-	-	-
Dusters Total Solutions Services Private Limited	110.07	87.35	-	-	-	-	-	-	-	-
Lotus Learning Private Limited	(25.21)	(1.64)	-	-	-	-	-	-	-	-
SISCO Security Services Private Limited	(0.01)	(0.01)								
SIS Business Support Services and Solutions Private Limited	(0.01)	(0.01)	-	-	-	-	-	-	-	-
Foreign										
SIS International Holdings Limited	-	-	-	-	0.02	-	-	-	0.03	-
SIS Asia Pacific Holdings Limited	-	-	-	-	0.05	-	-	-	0.05	-
SIS Australia Holdings Pty Limited	25.87	(31.41)	4.68	(40.95)	1.66	6.56	(42.10)	(163.95)	(21.89)	(157.50)
SIS Australia Group Pty Limited	(1,493.01)	(47.54)	(560.58)	(62.83)	(869.32)	(65.56)	105.63	172.01	100.56	168.17
SIS Group International Holdings Pty Limited	1,235.92	10.43	51.93	(0.67)	(5.68)	-	-	-	-	-
MSS Strategic Medical and Rescue Pty Limited	59.21	18.11	39.97	34.97	121.44	13.55	138.28	41.66	82.67	1.83
SIS MSS Security Holdings Pty Limited	1,093.04	0.83	741.32	(47.42)	880.20	(66.77)	820.95	(80.57)	730.72	(163.33)
MSS Security Pty Limited	1,622.89	679.16	1,726.41	691.00	1,241.37	690.13	1,793.38	613.44	1,499.10	631.64
Australian Security Connections Pty Limited	0.50	-	0.54	-	(46.82)	-	(28.73)	-	0.61	-
Minority interest in all subsidiaries and impact of conversion of subsidiary to jointly controlled entity	(145.88)	7.38	(24.74)	111.58	(764.73)	141.98	(363.76)	32.27	(393.06)	27.97
Joint Ventures (as per proportionateconsolidation method)										
Indian										
SIS Cash Services Private Limited	(191.88)	(7.22)	312.10	(67.18)	-	-	-	-	-	-
SIS Prosegur Holdings Private Limited	366.03	(12.42)	386.60	(50.08)	-	-	-	-	-	-
SIS Prosegur Cash Logistics Private Limited	0.05	(0.01)	102.80	(6.84)	-	-	-	-	-	-
SIS Alarm Monitoring and Response Services Private Limited	152.01	(27.40)	0.05	(0.04)	-	-	-	-	-	-
	5,430.93	**912.79**	**4,493.52**	**757.30**	**3,968.75**	**626.79**	**3,917.64**	**686.61**	**3,319.27**	**571.52**

Name of entity	As a % of consolidated									
	Net assets as at March 2017	Profit or (Loss) as at March 2017	Net assets as at March 2016	Profit or (Loss) as at March 2016	Net assets as at March 2015	Profit or (Loss) as at March 2015	Net assets as at March 2014	Profit or (Loss) as at March 2014	Net assets as at March 2013	Profit or (Loss) as at March 2013
Parent										
Security & Intelligence Services (India) Limited	23.32%	32.59%	16.27%	35.03%	17.55%	9.56%	17.76%	23.91%	21.97%	23.14%
Subsidiaries										
Indian										
SIS Cash Services Private Limited	0.00%	0.00%	0.00%	0.00%	18.36%	-4.60%	17.62%	-3.19%	14.51%	-2.83%
SIS Prosegur Holdings Private Limited	0.00%	0.00%	0.00%	0.00%	21.62%	-11.98%	0.00%	0.00%	0.00%	0.00%
Service Master Clean Limited	24.32%	-1.26%	19.97%	-1.92%	24.86%	-1.66%	1.94%	-2.55%	2.84%	-2.41%
Tech SIS Limited	0.43%	0.75%	0.47%	-1.58%	0.88%	0.31%	-0.21%	-1.44%	-0.01%	-0.10%
Terminix SIS India Private Limited	0.14%	-5.04%	1.10%	-4.96%	2.26%	-6.32%	1.04%	-6.28%	0.48%	-6.82%
Sunrays Overseas Private Limited	0.03%	-0.52%	0.15%	-0.35%	0.21%	-0.09%	0.00%	0.00%	0.00%	0.00%
Vardan Overseas Private Limited	0.02%	-0.53%	0.15%	-0.36%	0.20%	-0.09%	0.00%	0.00%	0.00%	0.00%
Dusters Total Solutions Services Private Limited	2.03%	9.57%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Lotus Learning Private Limited	-0.46%	-0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SIS Business Support Services and Solutions Private Limited	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SIS International Holdings Limited										
SIS Asia Pacific Holdings Limited	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SIS Australia Holdings Pty Limited	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SIS Australia Group Pty Limited	0.48%	-3.44%	0.10%	-5.41%	0.04%	1.05%	-1.07%	-23.88%	-0.66%	-27.56%
SIS Group International Holdings Pty Limited	-27.49%	-5.21%	-12.48%	-8.30%	-21.90%	-10.46%	2.70%	25.05%	3.03%	29.42%
MSS Strategic Medical and Rescue Pty Limited	22.76%	1.14%	1.16%	-0.09%	-0.14%	0.00%	0.00%	0.00%	0.00%	0.00%
SIS MSS Security Holdings Pty Limited	1.09%	1.98%	0.89%	4.62%	3.06%	2.16%	3.53%	6.07%	2.49%	0.32%
MSS Security Pty Limited	20.13%	0.09%	16.50%	-6.26%	22.18%	-10.65%	20.96%	-11.74%	22.01%	-28.58%
Australian Security Connections Pty Limited	29.88%	74.41%	38.42%	91.25%	31.28%	110.11%	45.78%	89.34%	45.16%	110.52%
	0.01%	0.00%	0.01%	0.00%	-1.18%	0.00%	-0.73%	0.00%	0.02%	0.00%
Minority interest in all subsidiaries and impact of conversion of subsidiary to jointly controlled entity										
Joint Ventures (as per proportionateconsolidation method)	-2.69%	0.81%	-0.55%	14.73%	-19.27%	22.65%	-9.29%	4.70%	-11.84%	4.89%
Indian										
SIS Cash Services Private Limited										
SIS Prosegur Holdings Private Limited	-3.53%	-0.79%	6.95%	-8.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SIS Prosegur Cash Logistics Private Limited	6.74%	-1.36%	8.60%	-6.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SIS Alarm Monitoring and Response Services Private Limited	0.00%	0.00%	2.29%	-0.90%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	2.80%	-3.00%	0.00%	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	100.00%	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

13 Demerging businesses:

The board of directors have, by resolutions dated September 20, 2016, November 11, 2016 and December 2016, approved a composite scheme of arrangement under sections 391 to 394 of the Companies Act, 1956 between the Company, ServiceMaster Clean Limited ("SMC"), SIS Asset Management Private Limited (formerly known as Tech SIS Access Management System Private Limited) and their respective shareholders and creditors ("Demerger Scheme"). The Demerger Scheme contemplates the demerger, transfer and vesting of

(a) the consultancy and investigation business of the Company, including all related assets, properties, identified investments (direct, or through nominees), liabilities and provisions, employees, business contracts and movable and immovable properties, as well as certain compulsorily convertible shares allotted or deemed to be allotted pursuant to the Demerger Scheme ("SIS Demerging Business"), and

(b) the payroll outsourcing business of SMC, including all related assets, properties, identified investments (direct, or through nominees), liabilities and provisions, employees, business contracts and movable and immovable properties ("SMC Demerging Business") to SIS Asset Management Private Limited, on a going concern basis (such transaction, the "Proposed Demerger").

During the year ended March 31, 2017, revenues from the SMC Demerging Business and the SIS Demerging Business (collectively, the "Demerging Businesses") accounted for INR 14.64 million and INR 2.59 million, respectively.

The Company has filed the demerger scheme with the National Company Law Tribunal, Kolkata ("NCLT") who has the jurisdiction authority in this case, on January 13, 2017, for its approval. Accordingly, the Demerger Scheme remains subject to (a) consents and approvals of the Central Government or any government authorities, (b) the approval of the shareholders and creditors of the respective companies, (c) the approval of the NCLT, (d) certified copies of the orders of the NCLT being filed with the RoC, and (e) compliance with any other conditions as may be imposed by the NCLT.

Some of the key terms of the Demerger Scheme are as follows:

(i) The Demerger Scheme envisages the transfer of the Demerging Businesses to SIS Asset Management Private Limited, for Consideration (defined hereinafter) and in accordance with section 2(19AA) of the Income Tax Act. The Demerger Scheme has been drawn up to comply with the conditions relating to a demerger under section 2(19AA) of the Income Tax Act, and if found inconsistent with this section, shall stand modified to the extent required for compliance.

(ii) The "Appointed Date" for the Demerger Scheme is proposed to be July 1, 2016.

(iii) The Demerger Scheme, inter alia, provides for, in consideration for the transfer of the Demerging Businesses, the issuance by SIS Asset Management Private Limited of (a) 43,070,000 fully paid-up compulsorily convertible preference shares of INR 10 each ("CCPS") proportionately for every 19,512,800 equity shares of INR 10 each of SMC held by shareholders of SMC on the Appointed Date, and (b) 16,520,000 equity shares of INR 10 each of SIS Asset Management Private Limited for every 6,202,659 Equity Shares held by shareholders of our Company on the Appointed Date ("Consideration"). Any CCPS allotted, or deemed to be allotted to the Company (on account of the Company being a shareholder of SMC) as consideration for transfer of the SMC Demerging Business would stand cancelled;

(iv) Upon approval of the Demerger Scheme, with effect from the Appointed Date, as noted by the board of directors by their resolutions dated September 20, 2016, November 11, 2016 and December 16, 2016, sixteen immovable properties owned by the Company and three investments owned by SMC ("Demerged Properties") shall be transferred to, and vest with, SIS Asset Management Private Limited. The Demerged Properties consist primarily of land and buildings, including our administrative office, our training centres at Garwha, Jharkhand (including academic blocks and hostels), Dehradun and Cuttack and investments by SMC in Vardan and Sunrays, which own our corporate office.

As on March 31, 2017, the book value of the assets pertaining to the SIS Demerging Business and SMC Demerging Business aggregated to INR 156.88 million and INR 430.00 million respectively. The board of directors of SIS Asset Management Private Limited has, by its resolution dated September 20, 2016, evinced an intention to enter into leasehold arrangements, on arms' length basis with the Company post-demerger to enable us to continue to utilise certain identified Demerged Properties, including our corporate office, administrative office and our training centres at Garwha, Jharkhand (including academic blocks and hostels), Dehradun and Cuttack, post the demerger.

14 On August 12, 2014, a subsidiary in the Group entered into a Business Transfer Agreement ("BTA") with ISS SDB Security Services Private Limited ("ISS"), for the purchase of their Cash and Valuables Services Division ("CVS"), as a going concern on a slump sale basis in accordance with the terms and conditions set out in the Business Transfer Agreement, for a consideration of INR 928,320. The purchase of the CVS was completed on December 1, 2014.

In terms of the BTA, a portion of the purchase consideration has been placed in an escrow and a further portion has been retained by the subsidiary to be paid/released on the fulfillment of certain conditions as stated in the BTA.

The Working Capital, comprising the current assets and current liabilities, taken over as part of the purchase, and included in these financial statements have been valued by the subsidiary based on its assessment, pending a final confirmation and agreement by ISS. The purchase consideration, and consequently, the valuation of the CVS has been accounted in these financial statements based on such estimates. The subsidiary does not expect any material changes to this value and any changes in this value will be reflected in the valuation of the CVS and the resultant goodwill accounted in these financial statements.

15 Effective August 1, 2016, the Parent has acquired 78.72% of the outstanding equity shares of Dusters Total Solutions Services Private Limited for an aggregate consideration of INR 1,169.03 million. In addition, the share purchase agreement provides for acquisition of 100% of the outstanding equity shares, by August 2019, in one or more tranches, and at a price to be determined according to a pre-agreed valuation formula.

16 On May 19, 2016, one of the subsidiaries in the Group acquired 100% of the outstanding equity shares of Lotus Learning Private Limited ("Lotus") for an aggregate consideration of INR 180 million pursuant to which Lotus became a subsidiary in the Group.

17 During the year, the Parent has filed a Draft Red Herring Prospectus with Securities Exchange Board of India on September 27, 2016 in connection with an Initial Public Offering ("IPO") of the equity shares of the Parent. The Parent has incurred expenses amounting to INR 89,440 towards the aforesaid IPO. As the process of the IPO is still continuing, these expenses have been recorded under Other Debtors and prepayments under Other current assets in Annexure XIX.

18 Related party disclosures

Related party disclosure in accordance with the Accounting Standard AS-18 on "Related Party Disclosures" issued by the institute of Chartered Accountants of India is given as under in respect of related parties with whom transactions have taken place:

Particulars	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
Associate Company	(i) Southern Cross Protection Pty Ltd.	(i) Southern Cross Protection Pty Ltd.	(i) Southern Cross Protection Pty Ltd.	(i) Southern Cross Protection Pty Ltd.	(i) Southern Cross Protection Pty Ltd.
	(i) SIS Cash Services Private Limited	(i) SIS Cash Services Private Limited			
Joint Ventures	(ii) SIS Prosegur Holdings Private Limited	(ii) SIS Prosegur Holdings Private Limited			
	(iii) SIS Prosegur Alarm Monitoring and Response Services Private Limited	(iii) SIS Prosegur Alarm Monitoring and Response Services Private Limited			
	(iv) SIS Prosegur Cash Logistics Private Limited	(iv) SIS Prosegur Cash Logistics Private Limited			
Key management personnel	(i) Ravindra Kishore Sinha-Chairman	(i) Ravindra Kishore Sinha-Chairman/ Managing Director	(i) Ravindra Kishore Sinha-Chairman/ Managing Director	(i) Ravindra Kishore Sinha-Chairman/ Managing Director	(i) Ravindra Kishore Sinha-Chairman/ Managing Director
	(ii) Rita Kishore Sinha - Director	(ii) Rita Kishore Sinha - Director	(ii) Rita Kishore Sinha - Director	(ii) Rita Kishore Sinha - Director	(ii) Rita Kishore Sinha - Director
	(iii) Uday Singh - Chief Executive Officer and Director	(iii) Uday Singh - Chief Executive Officer and Director	(iii) Uday Singh - Chief Executive Officer and Director	(iii) Uday Singh - Chief Executive Officer	(iii) Uday Singh - Chief Executive Officer
	(iv) Rituraj Kishore Sinha - Managing Director	(iv) Rituraj Kishore Sinha - Chief Operating Officer	(iv) Rituraj Kishore Sinha - Chief Operating Officer	(iv) Rituraj Kishore Sinha - Chief Operating Officer	(iv) Rituraj Kishore Sinha - Chief Operating Officer
	(v) Arvind Kumar Prasad - Director Finance				
	(vi) Devesh Desai - Chief Financial Officer, International Business				
	(vii) Pushpa Latha Katkuri - Company Secretary and Compliance Officer				
Enterprises owned or significantly influenced by key management personnel or their relatives	(i) Saksham Bharat Skills Ltd (ii) Security Skills Council India Limited (iii) SIS Group Enterprises Limited	(i) Saksham Bharat Skills Ltd (ii) Security Skills Council India Limited (iii) SIS Group Enterprises Limited	(i) Saksham Bharat Skills Ltd (ii) Security Skills Council India Limited (iii) SIS Group Enterprises Limited	(i) Saksham Bharat Skills Ltd (ii) Security Skills Council India Limited (iii) Vocational Skills Council India Private Limited	(i) Saksham Bharat Skills Ltd (ii) Security Skills Council India Limited (iii) Vocational Skills Council India Private Limited
	(iv) Superb Intelligence and Security Private Limited	(iv) Superb Intelligence and Security Private Limited	(iv) Superb Intelligence and Security Private Limited	(iv) Superb Intelligence and Security Private Limited	(iv) Superb Intelligence and Security Private Limited
	(v) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited	(v) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited	(v) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited	(v) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited	(v) Mahamanav Mritunjay Institute of Yoga & Alternative Medicine Limited
	(vi) Mritunjay Educational Foundation Limited	(vi) Mritunjay Educational Foundation Limited	(vi) Mritunjay Educational Foundation Limited	(vi) Mritunjay Educational Foundation Limited	(vi) Mritunjay Educational Foundation Limited
	(vii) Rituraj Resorts Limited	(vii) Rituraj Resorts Limited	(vii) Rituraj Resorts Limited	(vii) Rituraj Resorts Limited	(vii) Rituraj Resorts Limited
	(viii) Vocational Skills Council India Private Limited (ix) SIS Asset Management Private Limited				(viii) Shree Katha Chemicals Private Limited

Annexure XXXII - Notes to restated Consolidated Summary of Statements of Assets and Liabilities, Profit and Loss and Cash Flows

19 Related party transactions

The following table provides the details of transactions that have been entered into with related parties during the relevant year :-

(Amount in Rupees millions unless otherwise stated)

Party Name	Nature of transactions	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
Associate Company						
	Service charges / other Income received	12.04	2.60	11.56	19.17	53.85
	Dividend income received	6.84	6.65	3.89	5.88	2.20
	Other Direct Operating Cost Paid	193.49	176.99	149.88	139.56	133.93
Key managerial personnel						
	Salary and remuneration paid	43.92	29.92	27.89	28.56	24.04
	Rent paid	18.65	18.47	18.61	18.61	18.61
	Transfer of property right	-	-	-	33.23	-
	Investment in share capital	-	-	-	-	-
Enterprises owned or significantly influenced by key management personnel or their relatives						
	Training fees received	-	-	-	-	3.89
	Compulsory convertible debentures issued	-	-	-	-	2.31
	Conversion of compulsory convertible debentures	-	-	-	2.31	-
	Service charges / other income received	32.09	30.28	14.39	-	-
	Rent paid	0.84	0.84	0.42	-	-
	Rent received	0.48	-	1.44	13.16	2.70
	Administrative Expenses Paid	11.70	7.49	-	-	-
	Sales of investments	7.04	-	-	-	-

Annexure XXXII - Notes to restated Consolidated Summary of Statements of Assets and Liabilities, Profit and Loss and Cash Flows

20 Balance outstanding at the year end

Details of balance outstanding as at year end are as follows:-

(Amount in Rupees millions unless otherwise stated)

Party Name	Nature of transactions	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
Associate Company						
	Advances recoverable in cash or in kind	2.74	0.12	1.96	3.02	5.56
	Amount payable	1.15	0.52	2.12	1.59	0.22
	Investment in equity shares	120.33	113.13	108.15	102.76	106.42
Key managerial personnel						
	Amount payable	8.60	0.11	8.01	1.58	0.56
	Share Capital (including Share premium)	96.34	-	-	-	-
Enterprises owned or significantly influenced by key management personnel or their relatives						
	Advances recoverable in cash or in kind	62.87	58.34	51.37	24.56	15.17
	Investment in equity shares	-	7.04	7.04	7.04	8.14
	Amount payable	-	-	0.06	1.56	-

As per our report of even date
For A. Mitra & Associates
Chartered Accountants

A. K. Mitra
Partner
Membership No. 015230
Firm Reg. No.: - 5268/C
Place: New Delhi
Date: May 31, 2017

For and on behalf of the Board

Ravindra Kishore Sinha
Chairman
[DIN: 00945635]

Rituraj Kishore Sinha
Managing Director
[DIN: 00477256]

Uday Singh
Chief Executive Officer & Director
[DIN: 02858520]

Arvind Kumar Prasad
Director – Finance
[DIN: 02865273]

Pushpalatha Katkuri
Company Secretary

Devesh Desai
Chief Financial Officer
(International Business)

CAPITALISATION STATEMENT AS ADJUSTED FOR THE OFFER

Set forth below is the statement of capitalization of the Company, as at March 31, 2017, pre-Offer and as adjusted for the Offer, on a standalone basis and on a consolidated basis.

Restated Standalone Statement of Capitalisation

(*in ₹million, except ratios*)

Particulars	Pre-Offer as at March 31, 2017	As adjusted for Offer
Debts		
Short term borrowings	1,811.04	1,811.04
Long term borrowings	2,729.90	2,729.90
Current portion of long term borrowings included in other current liabilities	269.00	269.00
Total debt (A)	**4,809.95**	**4,809.94**
Shareholders' funds		
Share capital	687.03	731.48
Reserves and surplus as restated		
General reserve	190.43	190.43
Securities premium account	493.77	4071.82
Employee stock options outstanding account	75.81	75.81
Surplus/(deficit) in the statement of profit and loss	266.34	266.34
Total shareholders' funds (B)	**1,713.37**	**5,335.88**
Total Debt/ equity ratio (A/B)	**2.81**	**0.90**

Note:

1) *Since July 27, 2016 the issued share capital was increased from ₹ 62.46 million to ₹ 687.03 million by the issue of bonus shares in the ratio of 10 equity shares for every 1 equity share held.*
2) *The figures disclosed above are based on the restated standalone summary of Statement of Assets and Liabilities of the Company.*
3) *Pursuant to the Investment Agreement, Theano held 1,727,485 CCDs and AAJV held 34,895 CCDs. Pursuant to the Second Amendment Agreement, the CCDs converted to 22 Equity Shares (of which 11 Equity Shares were allotted to each of Theano and AAJV) prior to the filing of the Red Herring Prospectus with the RoC. Further, 11,264 equity shares has been allotted on 20 June, 2017, pursuant to exercise of vested options outstanding as on the said date. Accordingly, prior to the filing of the Red Herring Prospectus with the RoC, the issued and subscribed share capital of the Company was ₹ 687,143,530 consisting of 68,714,353 Equity Shares; and the paid up share capital of the Company was ₹ 687,142,280, consisting of 68,714,228 Equity Shares.*
4) *The above statement should be read with the notes to restated standalone summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXX of the Red Herring Prospectus and the Prospectus.*
5) *The post offer debt equity ratio has been calculated at the conclusion of book building process, taking number of fresh shares proposed to be allotted out of offer for subscription received is 4,444,785 @ 815 per share for each share having face value of ₹10.00 per share.*

Restated Consolidated Statement of Capitalisation

(*in ₹million, except ratios*)

Particulars	Pre-Offer as at March 31, 2017	As adjusted for Offer
Debts		
Short term borrowings	2,795.22	2,795.22
Long term borrowings	4,059.53	4,059.53
Current portion of long term borrowings included in other current liabilities	770.43	770.43
Total debt (A)	**7,625.18**	**7,625.18**

Particulars	Pre-Offer as at March 31, 2017	As adjusted for Offer
Shareholders' funds		
Share capital	687.03	731.48
Reserves and surplus as restated		
General reserve	190.43	190.43
Securities premium account	751.38	4329.43
Employee stock options outstanding account	77.21	77.21
Surplus/(deficit) in the statement of profit and loss	3,870.00	3,870.00
Total shareholders' funds (B)	**5,576.05**	**9,198.55**
Total Debt/ equity ratio (A/B)	**1.37**	**0.83**

Note:

1) *Since July 27, 2016 the issued share capital was increased from ₹ 62.46 million to ₹ 687.03 million by the issue of bonus shares in the ratio of 10 equity shares for every 1 equity share.*
2) *Pursuant to the Investment Agreement, Theano held 1,727,485 CCDs and AAJV held 34,895 CCDs. Pursuant to the Second Amendment Agreement, the CCDs were converted to 22 Equity Shares (of which 11 Equity Shares were allotted to each of Theano and AAJV) prior to the filing of the Red Herring Prospectus with the RoC. Further, 11,264 equity shares has been allotted on 20 June, 2017, pursuant to exercise of vested options outstanding as on the said date. Accordingly, prior to the filing of the Red Herring Prospectus with the RoC, the issued and subscribed share capital of the Company was ₹ 687,143,530 consisting of 68,714,353 Equity Shares; and the paid up share capital of the Company was ₹ 687,142,280, consisting of 68,714,228 Equity Shares.*
3) *The figures disclosed above are based on the restated consolidated summary of Statement of Profits and Losses of the Company.*
4) *The above statement should be read with the notes to restated consolidated summary of Statement of Assets and Liabilities, Profit and Loss and Cash Flow as appearing in Annexure V and XXXII of the Red Herring Prospectus and the Prospectus.*
5) *The post offer debt equity ratio has been calculated at the conclusion of book building process, taking number of fresh shares proposed to be allotted out of offer for subscription received is 4,444,785 @ 815 per share for each share having face value of ₹10.00 per share.*

PROFORMA FINANCIAL STATEMENTS

Auditors' Report on Proforma Financial Statements

The Board of Directors
Security and Intelligence Services (India) Limited
Annapoorna Bhawan
Patliputra, Kurji
Patna 800010

Independent Auditors' Report on Proforma Financial Statements in connection with the Initial Public Offer of Security and Intelligence Services (India) Limited (the "**Company**")

Dear Sirs,

1. This report is issued in accordance with the terms of our engagement letter dated July 27, 2016.

2. The accompanying Proforma Financial Statements (hereinafter referred to as the "Proforma Financial Statements") of Security and Intelligence Services (India) Limited (hereinafter referred to as the "Company") comprising of the Proforma Balance Sheet as at March 31, 2017 and the Proforma Statement of Profit and Loss for the year ended March 31, 2017, read with the notes thereto, has been prepared by the Management of the Company to reflect, for inclusion in the draft red herring prospectus/red herring prospectus/prospectus ("Offer Documents"), the impact, on its historical restated consolidated financial statements, of:
   a. a material acquisition made after the date of the latest audited financial statements of the Company, viz., March 31, 2017; and
   b. a material acquisition made during the year ended March 31, 2017,

   as if these acquisitions were completed on April 1, 2016, and as further set out in the basis of preparation paragraph included in the attached notes to the Proforma Financial Statements. These Proforma Financial Statements have been approved by the Board of Directors of the Company and initialed by us for identification purposes only.

3. We have examined the Proforma Financial Statements. For our examination, we have placed reliance on the following:

   a. the restated consolidated financial information of the Company as of, and for the year ended, March 31, 2017 on which we have expressed an unmodified opinion in our reports dated May 31, 2017;
   b. the audited financial statements of Dusters Total Solutions Services Private Limited as of, and for the year ended, March 31, 2017 on which other firms of chartered accountants have expressed unmodified audit opinions dated May 30, 2017; and
   c. the audited financial statements of Andwills Pty Ltd and its controlled entities as of, and for the year ended, March 31, 2017 on which other firms of chartered accountants have expressed an unmodified audit opinion dated May 31, 2017;

4. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Financial Statements, nor have we, in the course of this engagement, performed an audit or review of the financial information used by the Management in the compilation of the Proforma Financial Statements.

Managements' Responsibility for the Proforma Financial Statements

5. The preparation of the Proforma Financial Statements, which is to be included in the Offer Documents, is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company (hereinafter referred to as the "Board of Directors") in their meeting dated July 8, 2017.

6. The Board of Directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Proforma Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Responsibilities

7. Pursuant to the requirement of the SEBI Regulations, it is our responsibility to express an opinion on whether the Proforma Financial Statements of the Company as of, and for the year ended, March 31, 2017, as attached to this report, read with respective significant accounting policies and the notes thereto have been properly prepared by the Management of the Company as set out in the basis of preparation paragraph in the notes to the Proforma Financial Statements.

8. We conducted our engagement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. Our examination of the proforma financial information has not been carried out in accordance with the auditing standards generally accepted in the United States of America ("U.S.") and accordingly should not be relied upon by U.S. investors as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

9. The purpose of these Proforma Financial Statements are to reflect the impact of:
   a. a material acquisition made after the date of the latest audited financial statements of the Company, viz., March 31, 2017; and
   b. a material acquisition made during the year ended March 31, 2017,

   as set out in the basis of preparation paragraph included in the attached notes to the Proforma Financial Statements and solely to illustrate the impact of a significant event on the historical financial information of the Company, as if the event had occurred at an earlier date selected for purposes of illustration and based on the judgments and assumptions of the Management of the Company to reflect such hypothetical impact, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the consolidated financial position of the Company as at March 31, 2017 or any future date.

10. Our work consisted primarily of comparing the respective columns in the Proforma Financial Statements to the underlying restated/audited historical financial information, as the case may be, referred to in paragraph 3 above, considering the evidence supporting the adjustments and reclassifications, performing procedures to assess whether the basis of preparation of Proforma Financial Statements as explained in the attached notes to the Proforma Financial Statements provide a reasonable basis for presenting the significant effects directly attributable to the acquisition and discussing the Proforma Financial Statements with the Management of the Company.

11. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to March 31, 2017.

12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us and/or other firms of accountants / chartered accountants on the consolidated financial statements of the Company.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to issue this report.

15. This engagement did not involve independent examination of any of the underlying financial information.

16. We believe that the procedures performed by us provide a reasonable basis for our opinion.

Opinion

17. In our opinion the Proforma Financial Statements of the Company as of, and for the year ended, March 31, 2017, as attached to this report, read with respective significant accounting policies and the notes thereto, have been properly prepared by the Management of the Company as set out in the basis of preparation paragraph in the notes to the Proforma Financial Statements.

Restrictions on Use

18. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Documents prepared in connection with the proposed initial public offer of the Company, to be filed by the Company with the SEBI, stock exchanges and the concerned Registrar of Companies.

For A. Mitra & Associates
Chartered Accountants
Firm Registration No.: - 005268/C

A. K. Mitra
Partner
Membership No. 015230

Place: New Delhi
Date: July 8, 2017

Proforma Condensed Consolidated Statement of Assets and Liabilities as at March 31, 2017

(Amount in Rupees MN unless otherwise stated)

	Particulars	SIS Consolidated Restated as at March 31, 2017	Andwills as at March 31, 2017 (Note 1)	Andwills (Accounting Policy Adjustments) (Note 2)	Acquisition Adjustments (Note 3)	Total Adjustments	SIS Proforma consolidated as at March 31, 2017
		A	**B**	**C**	**D**	**E=C+D**	**F=A+B+E**
	Equity and Liabilities						
(A)	**Shareholders' funds**						
	Share capital	687.03	85.67	-	(85.67)	(85.67)	687.03
	Reserves and surplus	4,743.90	529.87	(1.73)	(562.31)	(564.04)	4,709.73
		5,430.93	**615.54**	**(1.73)**	**(647.98)**	**(649.71)**	**5,396.76**
(B)	**Share application money pending allotment**	-	-	-	-	-	-
(C)	**Minority Interest**	145.88	116.04	-	242.44	242.44	504.35
		145.88	**116.04**	**-**	**242.44**	**242.44**	**504.35**
(D)	**Non - current liabilities**						
	Long-term borrowings	4,059.53	130.80	-	898.51	898.51	5,088.84
	Trade payables	-	-	-	-	-	-
	Long-term provisions	764.54	12.41	-	-	-	776.95
	Deferred tax liabilities (Net)	-	102.53	-	-	-	102.53
		4,824.06	**245.74**	**-**	**898.51**	**898.51**	**5,968.33**
(E)	**Current liabilities**						
	Short-term borrowings	2,795.22	249.14	-	-	-	3,044.37
	Trade payables						
	Total outstanding dues of micro and small enterprises and	-	-	-	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises	465.53	106.11	-	-	-	571.63
	Other current liabilities	4,597.13	245.70	-	14.90	14.90	4,857.72
	Short-term provisions	2,226.20	157.65	-	-	-	2,383.85
		10,084.07	**758.60**	**-**	**14.90**	**14.90**	**10,857.57**
	Total (A+B+C+D+E)	**20,484.95**	**1,735.92**	**(1.73)**	**507.87**	**506.14**	**22,727.01**
	Assets						
(F)	**Non current assets**						
	Fixed assets						
	Tangible assets	1,602.53	113.04	-	-	-	1,715.57
	Intangible assets	2,778.19	593.33	-	613.30	613.30	3,984.82
	Capital work-in-progress	4.10	-	-	-	-	4.10
	Intangible assets under development	35.57	8.21	-	-	-	43.78
	Non-current investments	195.33	-	-	(120.33)	(120.33)	74.99
	Deferred tax assets (net)	628.98	52.49	-	-	-	681.47
	Long-term loans and advances	245.05	15.21	-	-	-	260.27

	Particulars	SIS Consolidated Restated as at March 31, 2017	Andwills as at March 31, 2017 (Note 1)	Andwills (Accounting Policy Adjustments) (Note 2)	Acquisition Adjustments (Note 3)	Total Adjustments	SIS Proforma consolidated as at March 31, 2017
		A	**B**	**C**	**D**	**E=C+D**	**F=A+B+E**
	Other non-current assets	2.39	-	-	-	-	2.39
		5,492.14	**782.28**	**-**	**492.97**	**492.97**	**6,767.39**
(G)	**Current assets**						
	Current investments	-	-	-	-	-	-
	Inventories	39.69	7.46	-	-	-	47.15
	Trade receivables	4,617.42	426.78	-	-	-	5,044.21
	Cash and bank balances	4,511.71	234.40	-	14.90	14.90	4,761.01
	Short-term loans and advances	673.01	-	-	-	-	673.01
	Other current assets	5,150.99	284.99	(1.73)	-	(1.73)	5,434.25
		14,992.81	**953.64**	**(1.73)**	**14.90**	**13.17**	**15,959.62**
	Total (F+G)	**20,484.95**	**1,735.92**	**(1.73)**	**507.87**	**506.14**	**22,727.01**

Proforma Condensed Consolidated Statement of Profit and Loss for the year ended March 31, 2017

(Amount in Rupees MN unless otherwise stated)

Particulars	SIS Consolidated Restated for the year ended March 31, 2017	Dusters for the eight months ended March 31, 2017	SIS Consolidated Restated (excluding Dusters) for the year ended March 31, 2017	Dusters for the year ended March 31, 2017	Dusters classification adjustments (Note 1.a)	Andwills for the year ended March 31, 2017 (Note 1.b)	Andwills (Accounting Policy Adjustments) (Note 3)	Andwills after accounting policy adjustments	Acquisition Adjustments (Dusters) (Note 4)	Acquisition Adjustments (Andwills) (Note 5)	Total Acquisition Adjustments	SIS Proforma consolidated for the year ended March 31, 2017
	A	B	C=A-B	D	E	F	G	H=F+G	I	J	K=I+J	L=C+D+E+H+K
Revenue												
Revenue from operations	45,670.87	2,612.11	43,058.76	3,839.72	-	4,294.24	-	4,294.24	-	-	-	51,192.72
Revenue from operations	**45,670.87**	**2,612.11**	**43,058.76**	**3,839.72**	**-**	**4,294.24**	**-**	**4,294.24**	-	-	-	**51,192.72**
Other income	100.35	4.08	96.27	5.61	-	20.18	(2.27)	17.91	-	-		119.78
Total revenue (A)	**45,771.22**	**2,616.19**	**43,155.03**	**3,845.33**	**-**	**4,314.42**	**(2.27)**	**4,312.14**	**-**	**-**	**-**	**51,312.50**
Expenses												
Cost of raw materials and components consumed	134.55	81.51	53.04	-	111.93	-	-	-	-	-	-	164.97
Purchase of traded goods	51.09	-	51.09	-	-	24.38	-	24.38	-	-	-	75.47
Increase/(decrease) in inventories	(21.50)	-	(21.50)	-	-	0.01	-	0.01	-	-	-	(21.48)
Employee benefits expense	37,886.64	2,247.36	35,639.28	3,305.66	-	1,767.88	-	1,767.88	-	-	-	40,712.82
Depreciation and amortisation expense	456.47	48.73	407.73	76.73	-	70.98	-	70.98	-	-	-	555.45
Finance costs	748.76	23.59	725.17	36.50	-	15.39	-	15.39	50.20	49.32	99.52	876.58
Other expenses	5,403.37	136.01	5,267.36	321.11	(111.93)	2,172.46	-	2,172.46	-	-	-	7,649.00
Total expenses (B)	**44,659.37**	**2,537.20**	**42,122.16**	**3,740.01**	**-**	**4,051.11**	**-**	**4,051.11**	**50.20**	**49.32**	**99.52**	**50,012.80**

Particulars	SIS Consolidated Restated for the year ended March 31, 2017	Dusters for the eight months ended March 31, 2017	SIS Consolidated Restated (excluding Dusters) for the year ended March 31, 2017	Dusters for the year ended March 31, 2017	Dusters classification adjustments (Note 1.a)	Andwills for the year ended March 31, 2017 (Note 1.b)	Andwills (Accounting Policy Adjustments) (Note 3)	Andwills after accounting policy adjustments	Acquisition Adjustments (Dusters) (Note 4)	Acquisition Adjustments (Andwills) (Note 5)	Total Acquisition Adjustments	SIS Proforma consolidated for the year ended March 31, 2017
	A	**B**	**C=A-B**	**D**	**E**	**F**	**G**	**H=F+G**	**I**	**J**	**K=I+J**	**L=C+D+E+H+K**
Share of net profit of associates accounted for using the equity method	**17.05**	**-**	**17.05**	**-**	**-**	**-**	**-**	**-**	**-**	**(17.05)**	**(17.05)**	**-**
Profit/(loss) before taxation and exceptional items (A-B) (C)	**1,128.91**	**78.99**	**1,049.92**	**105.32**	**-**	**263.31**	**(2.27)**	**261.03**	**(50.20)**	**(66.37)**	**(116.57)**	**1,299.70**
Less: Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-
Profit before tax and after exceptional items	**1,128.91**	**78.99**	**1,049.92**	**105.32**	**-**	**263.31**	**(2.27)**	**261.03**	**(50.20)**	**(66.37)**	**(116.57)**	**1,299.70**
Tax expense/(income)												
Current tax	363.86	52.78	311.09	61.31	-	76.71	-	76.71	(17.37)	(14.80)	(32.17)	416.93
MAT Credit Entitlement	(19.03)	-	(19.03)	-	-	-	-	-	-	-	-	(19.03)
Deferred tax charge/(credit)	(121.33)	(37.47)	(83.86)	(37.47)	-	10.76	-	10.76	-	-	-	(110.57)
Total tax expense (D)	**223.50**	**15.30**	**208.19**	**23.84**	**-**	**87.46**	**-**	**87.46**	**(17.37)**	**(14.80)**	**(32.17)**	**287.32**
Net profit/(loss) after taxation (C-D) (E)	**905.41**	**63.68**	**841.73**	**81.48**	**-**	**175.84**	**(2.27)**	**173.57**	**(32.83)**	**(51.57)**	**(84.40)**	**1,012.38**
Profit/(loss) for the year before minority interest	**905.41**	**63.68**	**841.73**	**81.48**	**-**	**175.84**	**(2.27)**	**173.57**	**(32.83)**	**(51.57)**	**(84.40)**	**1,012.38**

Particulars	SIS Consolidated Restated for the year ended March 31, 2017	Dusters for the eight months ended March 31, 2017	SIS Consolidated Restated (excluding Dusters) for the year ended March 31, 2017	Dusters for the year ended March 31, 2017	Dusters classification adjustments (Note 1.a)	Andwills for the year ended March 31, 2017 (Note 1.b)	Andwills (Accounting Policy Adjustments) (Note 3)	Andwills after accounting policy adjustments	Acquisition Adjustments (Dusters) (Note 4)	Acquisition Adjustments (Andwills) (Note 5)	Total Acquisition Adjustments	SIS Proforma consolidated for the year ended March 31, 2017
	A	**B**	**C=A-B**	**D**	**E**	**F**	**G**	**H=F+G**	**I**	**J**	**K=I+J**	**L=C+D+E+H+K**
Less : Minority interest in profit/(loss) for the year	(7.38)	-	(7.38)	-	-	41.58	-	41.58	-	43.47	43.47	77.67
Profit (Loss) for the year attributable to majority shareholder	**912.79**	**63.68**	**849.11**	**81.48**	**-**	**134.27**	**(2.27)**	**131.99**	**(32.83)**	**(95.05)**	**(127.87)**	**934.71**

Notes to the Pro forma Condensed Consolidated Financial Information as of, and for the year ended, March 31, 2017

Background

A. On August 19, 2016, Security and Intelligence Services (India) Limited (referred to as "SIS" or the "Company") acquired 78.72% equity in Dusters Total Solutions Services Private Limited (referred to as "Dusters"), with an effective date of August 1, 2016, with an agreement to increase its shareholding to 100% over the next three years, at a price to be calculated in accordance with an agreed valuation formula.

B. Effective July 1, 2017, SIS, through its 100% subsidiary, SIS Australia Group Pty Ltd. ("SIS Australia Group"), acquired 51% equity in Andwills Pty Limited (referred to as "Andwills"), the ultimate holding company of Southern Cross Protection Pty Ltd. ("SXP"), one of our current Associates, in which 10% of the equity share capital and voting rights are directly held by SIS Australia Group. This acquisition resulted in the Company, indirectly and directly, controlling 51% of the equity share capital and voting rights in SXP, which is an increase from the existing 10% of the equity share capital and voting rights in SXP directly held by it, through its 100% subsidiary, SIS Australia Group. Further, the share purchase agreement provides a right to SIS to increase its shareholding in Andwills to 100% after three years, and, as a result, indirectly and directly control 100% of the equity share capital and voting rights in SXP, at a price to be calculated in accordance with an agreed valuation formula.

C. The above unaudited pro forma financial information gives effect to the acquisition of:
   a. Dusters by SIS for a cash consideration of Rs. 1,169.03 million. The entire consideration for this acquisition is financed through a combination of Rupee term loan and Non-convertible debentures. As explained in note 4 (a) below, the Company consolidates 78.72% of Dusters in its consolidated financial statements.

   b. 51% equity in Andwills by SIS for a cash consideration of Rs. 883.62 Million (AUD 17.79 Million). The entire consideration for this acquisition is financed through AUD term loan. As explained in note 5 (d) below, the Company consolidates 51% of Andwills in its consolidated financial statements.

Basis of Preparation

The pro forma consolidated financial information of the Company comprising the pro forma balance sheet as at March 31, 2017 and the pro forma statement of profit and loss for the year ended March 31, 2017, read with the notes to the pro forma financial information, has been prepared to reflect the acquisition of Dusters and Andwills in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus (collectively 'Offer Documents'). Because of their nature, the pro forma financial information addresses a hypothetical situation and, therefore, do not represent SIS' actual consolidated financial position or results. They purport to indicate the results of operations that would have resulted had the acquisition.

a. in the case of Dusters, been completed at the beginning of the period presented; and

b. in the case of Andwills, been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the year end,

but, are not intended to be indicative of expected results or operations in the future periods or the future financial position of SIS. The pro forma adjustments are based upon available information and assumptions that the management of SIS believes to be reasonable. Such pro forma financial information has not been prepared in accordance with the requirements of Regulation S-X of the U.S. Securities and Exchange Commission or generally accepted practice in the United States of America ("U.S."). Accordingly, the degree of reliance placed by U.S. investors 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 paragraphs below to prepare these pro forma financial statements.

As explained in the following paragraphs, the unaudited proforma balance sheet as at March 31, 2017 has been prepared to reflect the acquisition by SIS of Andwills as of March 31, 2017. The proforma balance sheet as at March 31, 2017 has not been adjusted for the acquisition of Dusters since the acquisition of Dusters was completed on August 19, 2016 with an effective date of August 1, 2016 and accordingly, the restated consolidated balance sheet of the Company as of March 31, 2017 (included elsewhere in the Offer Documents) includes the effect of this acquisition.

The unaudited pro forma statements of profit and loss for the year ended March 31, 2017 combine the financial statements of consolidated SIS, Dusters and Andwills for the aforesaid period as if the acquisition had taken place on April 1, 2016. Since the acquisition of Dusters was completed on August 19, 2016 with an effective date of August 1, 2016, the restated consolidated statement of profit and loss for the year ended March 31, 2017 of the Company (included elsewhere in the Offer Documents) includes the results of Dusters for the period August 1, 2016 to March 31, 2017 and the proforma statement of profit and loss for the year ended March 31, 2017 now presented has been adjusted for the acquisition of Dusters as if the acquisition of Dusters took place on April 1, 2016..

The financial year end of the Company and that of Dusters and Andwills, for the purpose of preparation of these financial statements, is March 31. The adjustments made to the pro forma financial information are included in the following section.

The unaudited pro forma condensed consolidated financial information is based on:
a) the restated consolidated balance sheet and profit and loss account of SIS as of, and for the year ended, March 31, 2017 (to be included elsewhere in the Offer Documents);

b) the audited balance sheet and statement of profit and loss of Dusters prepared in accordance with Indian GAAP for the year ended March 31, 2017 (regrouped to conform to the presentation followed by SIS) on which other firms of accountants have expressed unmodified audit opinions in their report dated May 30, 2017; and

c) the audited balance sheet and statement of profit and loss of Andwills prepared in accordance with Australian GAAP for the year ended March 31, 2017 (regrouped to conform to the presentation followed by SIS) on which other firms of accountants have expressed an unmodified audit opinion in their report dated May 31, 2017.

The unaudited pro-forma financial information does not include any adjustment for liabilities or related costs that may result from integration activities, nor do they reflect any adjustments for potential synergies that may result from integration of our and Andwills' operations and activities. Significant liabilities and related costs may ultimately be recorded for costs associated with integrations activities, and there can be no assurance that any synergies will be achieved.

Pro forma adjustments

The following adjustments have been made to present the unaudited pro forma condensed consolidated financial information:

1) Adjustments to historical financial statements to reflect the post-acquisition group structure:
   The following adjustments have been made to the historical financial statements (as mentioned above) to present the acquired entity consistently with the post-acquisition group structure.
   a) The audited financial statements of Dusters Total Solutions Services Private Limited were presented as per Indian GAAP. These have been regrouped to conform the presentation to the SIS restated consolidated financial information.

   b) The audited financial statements of Andwills were presented in Australian GAAP and were then converted from Australian GAAP to Indian GAAP. These have been regrouped to conform the presentation to the SIS restated consolidated financial information.

2) The audited financial statement of profit and loss of Dusters have been adjusted to comply with SIS group accounting policies in all material aspects (collectively referred to as "Group accounting policies") (to be

included elsewhere in the Offer). These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) ("Companies (Accounting Standards) Rules, 2006, as amended") and the other relevant provisions of the Companies Act, 1956. No GAAP adjustments, in respect of Dusters, have been made to present the unaudited pro forma condensed consolidated financial statements in accordance with the group accounting policies.

3) The audited financial statements of Andwills have been adjusted to comply with SIS group accounting policies in all material aspects (collectively referred to as "Group accounting policies") (to be included elsewhere in the Offer). These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) ("Companies (Accounting Standards) Rules, 2006, as amended") and the other relevant provisions of the Companies Act, 1956. The following adjustments have been made to the historical financial statements of Andwills for the year ended March 31, 2017 (as mentioned above) to present the unaudited pro forma condensed consolidated financial statements in accordance with the group accounting policies
   a) Gain on hedge instrument of Rs. 2.27 Million recorded under other income in the statement of Profit and Loss and fair value of interest rate swap of Rs. 1.73 Million recorded under other current assets has been reversed and the result adjusted to retained earnings, which has been reduced by Rs. 0.55 Million as a result.

4) Acquisition related adjustments (Dusters):
   a) The proforma balance sheet as at March 31, 2017 has not been adjusted for the acquisition of Dusters since the acquisition of Dusters was completed on August 19, 2016 with an effective date of August 1, 2016 and accordingly, the restated consolidated balance sheet of the Company as of March 31, 2017 (included elsewhere in the Offer Documents) includes the effect of this acquisition and the amount of goodwill, being the excess of the aggregate of the purchase consideration and the expenses incurred for the acquisition over its share of net assets acquired (representing its 78.72% shareholding in Dusters) has been recognised on consolidation under Fixed Assets, based on the principles of AS 21 – "Consolidated Financial Statements". The balance of the net assets has been accounted for and shown as Minority Interest.

   b) The financing of the entire transaction has been done through a combination of Rupee term loan and Non-convertible debentures amounting to Rs. 1,200.00 million which has been used to discharge the purchase consideration. The Secured loans under Long Term Borrowings appearing in the restated consolidated balance sheet of the Company as of March 31, 2017 (included elsewhere in the Offer Documents) includes this amount. An imputed interest expense of Rs. 152.40 million for the year ended March 31, 2017 on this amount has been recorded in the unaudited pro forma condensed consolidated statement of profit and loss under "Finance Costs" for the periods presented and reduced by the actual interest cost of Rs. 102.20 million actually incurred by the Company and already included in the restated statement of profit and loss of the Company for the year ended March 31, 2017 (included elsewhere in the Offer Documents)

   c) The Company has incurred one time acquisition costs amounting to Rs. 48.25 million, comprising of due diligence expenses, upfront fees related to the loans obtained for the acquisition and other expenses directly related to the acquisition of Dusters. A portion of these expenses, amounting to Rs. 7.45 million, have been considered as a part of the cost of acquisition and the remaining amounts have been reflected in the restated statement of profit and loss of the Company for the year ended March 31, 2017 (included elsewhere in the Offer Documents).

5) Acquisition related adjustments (Andwills):

a) As explained above, for purposes of the pro forma balance sheet the acquisition of Andwills was assumed to have taken place as at March 31, 2017. The goodwill has been calculated based on the consolidated balance sheet of Andwills as at March 31, 2017 after giving effect to the adjustments described in Note 1 above. The book value of the net assets of Andwills acquired amounted to Rs. 731.57 Million, of which the share of SIS amounts to Rs. 373.10 Million representing its 51.00% shareholding in Andwills. Accordingly an amount of Rs. 613.30 Million, being the excess of the aggregate of the purchase consideration (including the consideration for the existing 10% shares in SXP) and the expenses incurred for the acquisition over its share of net assets has been recognised as goodwill on consolidation under Fixed Assets, based on the principles of AS 21 – "Consolidated Financial Statements". The balance of the net assets has been accounted for and shown as Minority Interest.

b) The financing of the entire transaction has been done through AUD term loan amounting to Rs. 898.51 Million which has been used to discharge the purchase consideration and the expenses on the transaction. The Secured loans under Long Term Borrowings appearing in the unaudited pro forma condensed consolidated balance sheet as at March 31, 2017 have been increased by this amount assuming that the acquisition happened as of that date. An imputed interest expense of Rs. 49.32 Million on this loan amount has been recorded in the unaudited pro forma condensed consolidated profit and loss account under "Finance Costs" for the period presented. For the purposes of reflecting the pro forma balance sheet, the loans are assumed to have been taken on the date of the balance sheet and accordingly do not reflect the accrued interest thereon and the Reserves and Surplus also exclude the effect of this imputed interest cost.

c) The Company has incurred one time acquisition costs amounting to Rs. 14.90 Million, comprising of legal fees, due diligence expenses, and other expenses directly related to the acquisition of Andwills. These have not been adjusted in the unaudited condensed consolidated profit and loss account for the year ended March 31, 2017 since they are one off expenses. These expenses have been considered a part of the cost of acquisition. However, a liability of an equivalent amount has been recorded in the unaudited pro forma condensed consolidated balance sheet as at March 31, 2017 under Liabilities assuming that the acquisition happened as of that date.

d) As explained above, the Company earlier held 10% of the equity share capital and voting rights in SXP, an Associate. For the purpose of the proforma condensed consolidated balance sheet as at March 31, 2017, the Company has consolidated 51% of Andwills (which includes SXP), including its earlier 10% shareholding in SXP, in its consolidated financial statements. Accordingly, the carrying value of investment of Rs.120.33 Million in SXP as at March 31, 2017, including its share of accumulated net profits of Rs. 32.44 Million, has been reversed for the purposes of the preparation of these pro forma financial statements. A corresponding adjustment of reduction in retained earnings and goodwill by Rs. 32.44 Million has been made, to account for the reversal of accumulated share of net profits of SXP.

6) Use of proceeds

Though one of the objects of the proposed offering is to prepay the debt related to the acquisition of Dusters, since the pro forma financial information has been prepared for purposes of illustrating the hypothetical impact of the acquisition, no adjustment has been made for the use of proceeds or related share issue expenses. The objects of the proposed offering do not include the repayment of the debt related to the acquisition of Andwills and, therefore, no adjustment has been made for the use of proceeds or related share issue expenses.

7) Other than as mentioned above, no additional adjustments have been made to the unaudited pro forma consolidated balance sheet or the statement of profit and loss to reflect any trading results or other transactions of the Company or Andwills entered into subsequent to March 31, 2017.

FINANCIAL STATEMENTS OF DUSTERS TOTAL SOLUTIONS SERVICES PRIVATE LIMITED

Financial Statements of Dusters

Auditors Report on Examination of Financial Information of Dusters

The Board of Directors,
Security and Intelligence Services (India) Limited

Dear Sirs,

We have examined the financial statements of Dusters Total Solutions Services Private Limited ("Dusters") for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 ("Financial Years"). These financial statements of Dusters have been audited by other firm of chartered accountants and have been prepared under Indian GAAP in accordance with the requirements of the Companies Act, 1956 and the Companies Act, 2013.

As required under Schedule VIII Part A (2) item no.(IX)(B)(5)(a) & (b) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), we have examined the financial information contained in the Annexures attached to this report which is proposed to be incorporated in the red herring prospectus and prospectus ("Offer Document") of Security and intelligence Services (India) Limited (the 'Company') in connection with its proposed initial public offering of equity shares of Rs. 10/- each.

We understand that a part of the proceeds of the aforesaid initial public offering of the Company is proposed to be utilized to repay the acquisition related debt and, therefore, extracts of the audited financial statements of Dusters are being reproduced in the Offer Document of the Company in accordance with Schedule VIII Part A (2) item no.(IX)(B)(5)(a) & (b) of SEBI ICDR Regulations.

Based on our examination of the audited financial statements of Dusters provided to us, we certify that:

a. the information provided in the Annexure IA and IB of this report have been extracted from the audited financial statements of Dusters made available to us and we have made no adjustments to the audited financial statements of Dusters while preparing this information in Annexure IA and IB of this report; and
b. the information provided in the Annexure IA and IB of this report have been presented in accordance with the disclosure requirements laid out in Schedule VIII Part A (2) item no. (IX)(B)(5)(a) & (b) of SEBI ICDR Regulations.

On August 19, 2016, the Company acquired 78.72% stake in Dusters with an effective date of August 1, 2016. Therefore, the consolidated financial statements of the Company for the year ended March 31, 2017 consider the financial statements of Dusters for the period it was a subsidiary of the Company.

If Dusters had been a subsidiary of the Company:

a. the consolidated net profit and loss of the Company would have increased by Rs.12.40 million, Rs. 9.74 million, Rs. 21.25 million, Rs. 33.79 million and Rs. 14.01 million during the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 respectively;
b. the consolidated assets of the Company would have increased by NIL as at March 31, 2017; and
c. An additional minority interest of NIL would have been recorded as at March 31, 2017 in the consolidated financial statements of the Company.

For A. Mitra & Associates
Chartered Accountants
Firm Registration No.: - 005268/C

A. K. Mitra

Partner
Membership No. 015230

Place: New Delhi
Date: July 08, 2017

Annexure IA - Summary Statement of Assets and Liabilities

(Amount in Rupees MN unless otherwise stated)

Particulars	As at March 31, 2017
Equity and liabilities	
Shareholders' funds	
Share capital	28.02
Reserves and surplus	642.24
	670.25
Non-current liabilities	
Long-term borrowings	1.02
Long-term provisions	28.43
	29.46
Current liabilities	
Short-term borrowings	127.55
Trade payables	
- dues of micro enterprises and small enterprises; and	0.00
- creditors other than micro enterprises and small enterprises	47.76
Other current liabilities	460.78
Short-term provisions	59.71
	695.80
Total Liabilities	**1,395.51**
Assets	
Non-current assets	
Fixed assets	
Tangible assets	114.65
Intangible assets	45.60
Capital work-in-progress	0.00
	160.25
Non-current investments	0.03
Deferred tax asset, net	72.92
Long-term loans and advances	159.06
Other non-current assets	0.00
	392.26
Current assets	
Trade receivables	887.31
Cash and bank balances	78.37
Short-term loan and advances	8.23
Other current assets	29.34
	1,003.25
Total Assets	**1,395.51**

Annexure IB - Summary Statement of Profits and Losses

(Amount in Rupees MN unless otherwise stated)

Particulars	For the year ended				
	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017
Revenue from operations					
Sale of services	2027.03	2178.98	2826.49	3421.25	3839.72
Other income	14.13	15.30	17.24	9.31	5.61
Total revenue	**2041.16**	**2194.28**	**2843.73**	**3430.56**	**3845.33**
Expenses	1753.85	1893.20	2441.69	2953.84	3305.66
Employee benefits	40.25	51.79	53.14	48.93	36.48
Finance costs	19.53	18.83	49.61	80.34	76.73
Depreciation and amortisation	211.77	208.82	257.59	294.98	321.14
Other operating expenses	**2025.41**	**2172.64**	**2802.04**	**3378.09**	**3740.01**
Total expenses					
Profit / (loss) before exceptional items and tax	**15.76**	**21.63**	**41.69**	**52.47**	**105.32**
Less: Exceptional items	0.00	24.03	-2.79	7.55	0.00
Profit / (loss) before tax and after exceptional items	**15.76**	**-2.40**	**44.48**	**44.92**	**105.32**
Income tax expense					
- Current tax	0.00	0.00	9.55	27.09	45.97
- MAT credit entitlement	0.00	0.00	-9.55	0.00	0.00
- Tax relating to earlier years	0.00	4.30	2.60	1.34	15.34
- Deferred tax (credit)/ charge	0.00	-19.07	14.89	-14.03	-11.15
- Deferred tax credit for earlier years	0.00	0.00	0.00	-12.40	-26.32
Profit / (loss) for the year	**15.76**	**12.37**	**26.99**	**42.92**	**81.48**

SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

The standalone and consolidated financial statements and other financial information of our Company have been prepared in accordance with Standards under Indian GAAP (existing Indian GAAP i.e before considering the amendments in the Accounting Standards as amended by the Companies (Accounting Standards) Amendment Rules 2016 issued on 30 March 2016), which differs in certain material respects from 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 being the exhaustive sets of standards, rules and interpretations, no assurance can be given that the differences listed below cover all possible differences. Further, no attempt has been made to identify differences between existing Indian GAAP and Ind AS as a result of prescribed changes in accounting standards that are effective in future periods. 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 material effect on our financial statements are summarized below. Our management has not quantified all of the effects of the differences discussed below. Accordingly, no assurance can be provided to investors that our financial statements would not be materially different if prepared in accordance with Ind AS.

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 document.

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. The items that would form part of Other Comprehensive Income under Ind AS are included in the income statement under Indian GAAP.	**Other Comprehensive Income**: Ind AS-1 requires the presentation of a statement of other comprehensive income as part of the financial statements. This statement presents all the items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind ASs.
			Other disclosures: There are no specific	**Other disclosures:** Ind AS-1 requires

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			disclosure requirements under Indian GAAP for : (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 adjustment to the carrying amounts of assets and liabilities within the next financial year; and (c) Information that enables users of its financial and processes for managing capital.	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 adjustment to the carrying amounts of assets and liabilities within the next financial year; 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 should be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. 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.
			Dividends: Under Indian GAAP, proposed dividend is shown as appropriation of profit in profit and loss account balance forming part of reserves.	**Dividends:** As per Ind AS-1 proposed dividend is not to be recognised. The presentation of such disclosures in profit and loss account balance is not permitted until approved by the shareholders at an annual general meeting.
2.	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.

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
3.	Ind AS 16	Property, plant and equipment – Reviewing depreciation and residual value	Under Indian GAAP, the Company currently provides depreciation on written down value basis over the useful lives of the assets as specified under schedule II to the Companies Act or as estimated by the Management based on technical evaluation and considering residual values on the basis of past experience.	Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost upon first time adoption under Ind AS
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 accordance with Ind AS 17.
5.	Ind AS 19	Employee Benefits - Actuarial gains and losses:	Under Indian GAAP, Actuarial valuation is used to determine the present value of benefits obligation and is carried out every year. The fair value of the benefit obligations are determined at every balance sheet date. All actuarial gains or losses are recognized in the statement of profit and loss account.	Under Ind AS, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and re-measurements. Changes due to service cost and net interest cost/ income need to be recognized in the income statement and the changes arising out of re-measurements are to be recognized directly in Other Comprehensive Income.
6.	Ind AS 21	The Effects of Changes in Foreign Exchange Rates - Functional and presentation	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.

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
		currency:		
		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 historical/average rate. Exchange differences are taken to the statement of profit and loss. For non-integral foreign operations, closing rate method should be followed (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 recycled to profit and loss on the disposal of the non-integral foreign operation.	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.
7.	Ind AS 108	Segment Disclosures - Determination of segments:	Currently under Indian GAAP, Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the enterprise as a whole. 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	Classification of	Currently under Indian GAAP the	Ind AS 109 requires all Financial assets to be

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
	AS 109	Financial Instruments and subsequent measurement	Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any permanent diminution in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value. Financial liabilities are carried at their transaction values.	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, (FVTPL), or recognized in other comprehensive income (FVTOCI). Financial assets include equity and debts investments, interest free deposits, loans, trade receivables etc. There are two measurement categories for financial liabilities – FVTPL and amortized cost.
			Compulsory convertible preference shares: Currently under Indian GAAP, Compulsory convertible preference shares are presented under share capital.	**Compulsory convertible preference shares:** Compulsorily Convertible Preference Shares that meet certain criteria under Ind AS 32 are required to be classified as compound financial instrument 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 whether the credit risk on trade receivables has increased significantly 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 & Hedge Accounting: Currently there is no equivalent standard on hedge accounting except in the case of forward exchange contracts within the scope of AS 11 and ICAI Guidance Note on derivatives. Under AS 11, foreign currency forward contract premium/ discount is amortised over the forward contract period. For other derivative contracts, the Guidance Note requires an entity to provide for losses in respect of all outstanding derivative contracts by	**Derivative & Hedge Accounting:** Derivative contracts are fair valued at the end of each period through P&L unless hedge accounting option is followed. Hedge accounting (recognizing the offsetting effects of fair value changes of both the hedging instrument and the hedged item in the same period's profit or loss) is permitted in certain circumstances, provided that the hedging relationship is clearly defined, measurable, and actually effective. Ind AS 109 provides for three types of hedges:

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			marking them to market at the balance sheet date. The GN also permits the use of hedge accounting if the criteria are met.	• fair value hedge: if an entity hedges a change in fair value of a recognized asset or liability or firm commitment, the change in fair values of both the hedging instrument and the hedged item are recognized in profit or loss when they occur; • cash flow hedge: if an entity hedges changes in the future cash flows relating to a recognized asset or liability or a highly probable forecast transaction, then the change in fair value of the hedging instrument is recognized in other comprehensive income until such time as those future cash flows occur. The ineffective portion of the gain or loss on the hedging instrument is recognized in profit or loss in the period of such change; and • hedge of a net investment in a foreign entity: this is treated as a cash flow hedge. A hedge of foreign currency risk in a firm commitment may be accounted for as a fair value hedge or as a cash flow hedge.
9.	Ind AS 110	Consolidated financial statements	**Definition of control:** the ownership, directly or indirectly through subsidiary(ies), of more than one-half of the voting power of an enterprise; or (b) control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other enterprise so as to obtain economic benefits from its activities. Therefore, a mere ownership of more than 50% of equity shares is sufficient to constitute control under Indian GAAP, whereas this is not necessarily so under Ind AS.	**Definition of control:** 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. Thus, an investor controls an investee if and only if the investor has all the following: (a) power over the investee; (b) exposure, or rights, to variable returns from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of the investor's returns.
			Interests in joint ventures: in the consolidated financial statements, interests in jointly controlled entities are to be accounted using the proportionate consolidation method. Equity method is not permitted	**Interests in joint ventures**: in the consolidated financial statements, an entity with joint control of, or significant influence over, an investee shall account for its investment in an associate or a joint venture using the equity method
10.	Ind AS 118	Revenues - Measurement:	Revenue is recognized at the nominal amount of consideration receivable.	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 difference between the fair value and the

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
				nominal amount of consideration is recognized as interest revenue using the effective interest method.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated consolidated financial statements as of for the Fiscal Years ended March 31, 2017, 2016 and 2015 including the related notes, schedules and annexures. These restated consolidated financial statements are based on our audited consolidated financial statements and are restated in accordance with the SEBI Regulations. Our audited consolidated financial statements are prepared in accordance with Indian GAAP, which differs in certain material respects with Ind-AS, IFRS and U.S. GAAP. Our Fiscal Year ends on March 31 of each year. Accordingly, all references to a particular Fiscal Year are to the 12-month period ended March 31 of that year. This discussion may contain forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-looking Statements" and "Risk Factors" included in this Prospectus.

This Prospectus contains Proforma Financial Statements of our Company for the year ended March 31, 2017, to give a pro forma effect to, the acquisition of Dusters with effect from August 1, 2016 and the acquisition of Andwills Pty Ltd with effect from July 1, 2017.

The Proforma Financial Statements have been prepared, based on the same accounting policies as our restated consolidated financial statements, to show the main effects of such acquisition on our results of operations i.e. (i) the unaudited pro forma statements of profit and loss for year ended March 31, 2017 combine the financial statements of our Company, Dusters and Andwills Pty Ltd. for the aforesaid period, as if the acquisition had taken place on April 1, 2016; and (ii) the unaudited pro forma balance sheet as at March 31, 2017 has been prepared to reflect the acquisition by our Company of Andwills Pty Ltd. as of March 31, 2017. The balance sheet impact of Dusters acquisition is already reflected in our audited consolidated balance sheet as of March 31, 2017.

Further, our Company is required to prepare annual and interim financial statements under Ind-AS commencing from April 1, 2017. See "Risk Factors – Our Company, will be required to prepare financial statements under Ind-AS. The transition to Ind-AS in India is very recent and there is no clarity on the impact of such transition on our Company" and "Significant Differences between Indian GAAP and Ind-AS" on pages 22 and 430, respectively, of this Prospectus.

Overview

We are a leading provider of private security and facility management services in India. Our portfolio of services includes:

- ***private security services***, comprising of:
  - *security services*: we are the second largest security services provider in India, in terms of revenue, as of March 31, 2016, and the fastest growing security services provider in India, based on revenues for Fiscal Years 2010 to 2014, according to Frost & Sullivan. In addition, Freedonia ranks our wholly-owned Subsidiary, MSS Security Pty Limited ("**MSS**") as the largest security services provider in Australia, jointly with a competitor, in terms of revenues, as of March 31, 2015. We provide a comprehensive range of security services ranging from providing trained security personnel for general guarding to specialized security roles in India and Australia. In Australia, we also provide paramedic and allied health, fire rescue services, mobile patrol, loss prevention and other related services.
  - *cash logistics services*: we are the second largest cash logistics service provider in India, in terms of market share by revenue, number of employees, ATMs served and cash vans utilized, as of March 31, 2015, according to Frost & Sullivan. Our cash logistics business in India includes services such as cash in transit including transportation of bank notes and other valuables, doorstep banking as well as cash processing, ATM related services including ATM replenishment, first line maintenance and safekeeping, and vault related services for bullion and cash; and

- o *electronic security services and home alarm monitoring and response services:* In India, we provide electronic security services, including integrated and turnkey electronic security and surveillance solutions combining electronic security with trained manpower and have recently entered into a joint venture in order to provide home alarm monitoring and response services;

- ***facility management services***: Our facility management services in India include cleaning, janitorial services, disaster restoration and clean-up of damage, as well as facility operation and management such as deployment of receptionists, lift operators, electricians and plumbers, and also pest and termite control. Effective August 1, 2016, we acquired 78.72% of the outstanding equity shares of Dusters Total Solutions Services Private Limited ("Dusters"), with the agreement to increase our shareholding to 100% over the next three years (pursuant to which we have acquired a further 7.20% of the outstanding equity of Dusters on July 31, 2017). Dusters is the fourth largest facility management services provider in India, in terms of revenues, as of March 31, 2016, according to Frost & Sullivan. We have developed our portfolio of services in order to cater to the needs of diverse consumer segments, including, business entities, Government organizations and households, and to leverage the growth and potential of such customer segments in India.

We have entered into strategic relationships in India with several multinational companies. For our cash logistics and alarm monitoring and response businesses, we have entered into joint ventures with affiliates of Prosegur Compañía de Seguridad, S.A ("**Prosegur**"), a global player in cash management and alarm monitoring. We have also entered into a joint venture with an affiliate of Terminix International Company, L.P. ("**Terminix**"), a multinational provider of termite and pest control services. In addition, we have licensed the 'ServiceMaster Clean' brand, and associated proprietary processes, operating materials and knowhow for our facility management business in India from The ServiceMaster Company, LLC ("**ServiceMaster**") group, a commercial and residential cleaning service provider. Our strategic relationships with reputed industry participants enable us to offer a one-stop-shop for the portfolio of private security and facility management services, benefit from know-how, technology, staff and market reputation of our partners, leverage our existing infrastructure, branch network and customers, and share risk and costs associated with starting new businesses, including by lowering our capital expenditure.

As of April 30, 2017, we have a widespread branch network consisting of 251 branches in 124 cities and towns in India, which cover 630 districts. We employed 148,678 personnel in India and rendered security and facility management services at 11,869 customer premises across India. In Australia, we operate in each of the eight states and employed 5,754 personnel servicing 245 customers, as of April 30, 2017. Our widespread branch network enables us to service a large number of customer premises and render customized services across India and Australia.

We have set up an extensive employee platform which spans recruitment, customized training and development, deployment, incentivization and management of personnel. We have deep geographical reach for manpower sourcing and training and currently operate 18 training academies across India and four training academies across Australia. In India, our security services personnel undergo extensive physical and classroom training. Our personnel recruitment, training and deployment initiatives are process oriented and technology driven with detailed performance indicator tracking, reporting and evaluation of personnel. We benefit from a pipeline of operational managers from the graduate trainee officer program undertaken at our training academy at Garhwa, Jharkhand, which is focused on developing a management cadre with in-depth knowledge of our business and operations. Our security personnel in Australia hold the required state security licenses and undergo both company-specific and site-specific training.

Our Promoters, Ravindra Kishore Sinha and Rituraj Kishore Sinha, have over three decades and one decade of experience, respectively, in operating our business. In addition, we are led by a well-qualified and experienced management team, which we believe has demonstrated its ability to manage and grow our operations organically and also acquire and integrate businesses. Certain key members of our managerial team have also gained relevant experience by working with global leaders in their respective business segments. For further details see "*Our Management*" on page 251. In addition, our Key Management Personnel have, on average, 20 years of experience with us. We have also benefited from the strategic inputs and support of investors such as Thomas Berglund and Hakan Winberg, each of whom have approximately two decades of experience in the security services industry, including over a decade as CEO and CFO, respectively, at Securitas AB, a multinational security services company.

Recent Developments

With effect from July 1, 2017, we, through our 100.00% Subsidiary, SIS Australia Group, acquired an additional 41.00% of the voting rights in SXP, formerly one of our associates ("**SXP Acquisition**"). As a result, SXP has become one of our Subsidiaries. For further details on SXP, see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 225. The acquisition of the additional 41.00% voting rights in SXP was consummated as follows:

(v) The purchase of 95,556 equity shares of SX Protective Services Pty Ltd. ("**SX Protective**"), representing 9.56% of the outstanding equity shares of SX Protective, from:

a. Anzus Pty Ltd as trustee for The Goldrick Family Trust,
b. David John Medhurst and Annette Medhurst as trustee for the Medhurst Family Superannuation Fund, and
c. Teide Pty Ltd as trustee for the Cumberland Discretionary Trust (collectively the "**Minority Sellers**"). SX Protective is the holder of 90.00% of the equity share capital in SXP; and

(vi) The purchase of 4,236 ordinary equity shares of Andwills, representing 42.36% of the ordinary equity shares of Andwills, from Bourke Family Holdings Pty Ltd. ("**Bourke**"); and the issue of 1,764 D class shares by Andwills, to allow SIS Australia Group to directly control, together with the ordinary equity shares of Andwills purchased by it, 51.00% of the voting rights in Andwills. Andwills is the holder of 85.00% of the equity share capital in SX Protective.

SIS Australia Group has paid AUD 13.38 million to Bourke and the Minority Sellers as consideration for the transactions described above, and also deposited an additional AUD 4.41 million in escrow, which are payable to the sellers in accordance with a formulation set forth in the SXP Acquisition agreements.

In furtherance of the SXP Acquisition, SIS Australia Group has entered into an amended and restated shareholders agreement dated June 9, 2017 with SXP, SX Protective, the Minority Sellers, Pat Bourke, Bourke Entity and certain other parties ("**SXP SHA**"). As set forth in the SXP SHA, certain principal terms of the SXP acquisition include:

(i) Patrick Bourke continuing to remain on the board of SXP as Managing Director for a period of three years and being involved in the day-to-day management of SXP;

(ii) A default by either party to the agreements entitling the non-defaulting party to seek a third party buyer for the shares and drag the defaulting party along with it to sell its shares to the third party buyer; and

(iii) the Company, through its 100% subsidiary, SIS Australia Group and the Bourke Entity and the Minority Sellers being restricted from transferring their Balance SXP Shares to any other person till the expiry of the prescribed time period for exercise of the put and call option by either side.

Further, a deed of put and call option executed on June 9, 2017 provides an option to SIS Australia Group to acquire remaining voting rights and equity interest in SX Protective and Andwills **("Balance SXP Shares")** on or after September 30, 2020. In the event, SIS Australia Group fails to exercise the option to purchase the Balance SXP Interest, the Bourke Entity and the Minority Sellers have the option to sell the Balance SXP Shares to SIS Australia Group at a price to be determined according to an agreed valuation formula.

The Proforma Financial Statements have been prepared, based on the same accounting policies as our restated consolidated financial statements, to show the main effects of such acquisition on our results of operations i.e. (i) the unaudited pro forma statements of profit and loss for year ended March 31, 2017 combine the financial statements of our Company, Dusters and Andwills Pty Ltd. for the aforesaid period, as if the acquisitions had taken place on April 1, 2016; and (ii) the unaudited pro forma balance sheet as at March 31, 2017 has been prepared to reflect the acquisition by our Company of Andwills Pty Ltd. as of March 31, 2017. The balance sheet impact of Dusters acquisition is already reflected in our audited consolidated balance sheet as of March 31, 2017. The Proforma Financial Statements do not take into account the further acquisition of 7.20% of the outstanding equity shares of Dusters by us on July 31, 2017.

Significant Factors Affecting Our Results of Operations and Financial Condition

Our business and results of operations are affected by a number of significant factors including:

Employee benefits expenses and employee relations

Our business is labour intensive and employee benefit expenses constituted the largest component of our total expenses, i.e. ₹37,886.64 million, ₹ 31,162.43 million and ₹28,920.15 million or 84.83%, 82.93% and 83.00% of our total expenses for Fiscal Years 2017, 2016 and 2015, respectively. As of April 30, 2017, we employed 154,432 personnel across India and Australia. Increases in our employee benefits payment obligations, whether as a result of a negotiated increase by our employees or due to changes in applicable laws, including minimum wage laws, which we are unable to pass on to our customers, in a timely manner, or at all, could have a significant impact on our total expenses and consequently our financial condition. In addition, we rely on our employees to render services at our customers' premises and in the event our employee relationships deteriorate or if we experience labour unrest, strikes and other labour action, there could be an adverse impact on our delivery of services to customers.

Growth of our cash logistics, facility management and electronic security businesses

We offer a wide variety of services, which are relatively new to our portfolio. Although we have historically derived a significant portion of our revenue from our security services, both in India and Australia, we expect to derive increasing revenues from our newer businesses such as cash logistics, facility management and electronic security, in the future. The process of launching new businesses requires long-term investments and commitment of significant resources before knowing whether these investments will eventually result in businesses that achieve customer acceptance and generate the revenues required to provide desired returns. We are leveraging our existing branch and customer network in India to further grow and support our relatively new businesses and to deepen our presence by increasing our service offerings. Our future success depends, in part, on our ability to develop and grow these new businesses and offer services that are in line with customer requirements.

Inorganic growth through strategic acquisitions

Effective July 1, 2017, we, through our 100% subsidiary, SIS Australia Group, acquired an additional 41.00% voting rights in SXP. As a result, SXP became our 51.00% owned-subsidiary. Further, the deed of put and call option agreement dated June 8, 2017 provides an option to SIS Australia Group to acquire a second and final tranche of 49% of the voting rights of SXP **("Balance SXP Shares"**) on or after September 30, 2020.

Effective August 1, 2016, we acquired Dusters, the fourth largest facility management service provider in India as of March 31, 2015, in terms of revenues, according to Frost & Sullivan. We acquired the equity in Dusters from its existing shareholders for an aggregate acquisition cost of ₹1,169.03 million, with the agreement to increase our shareholding to 100% over the next three years, at a price to be calculated in accordance with an agreed valuation formula (pursuant to which we have acquired a further 7.20% of the outstanding equity of Dusters on July 31, 2017 for an aggregate consideration of ₹ 116.63 million).

We expect to continue to explore selective strategic acquisitions both in India and outside, particularly in the Asia Pacific region for inorganic growth. Frost & Sullivan anticipates competition in the cash logistics industry will become stiff, leading to further consolidation of the market. Leveraging on this consolidation, we intend to evaluate growth opportunities to inorganically grow our cash logistics operations, including by acquisition of cash accretive contracts from our competitors.

However, acquisitions involve a significant number of challenges, including, the financial impact of the historical liabilities of potential acquisitions, the challenges arising from the integration of the management and personnel of the acquired business, potential issues in relation to migrating or retaining existing customers of the acquired business and local law factors and risks associated with restructuring operations. While we believe that the effect of our acquisitions and the consolidation of the acquired entity's financial results in our consolidated financial statements will strengthen our financial performance, we may be unable to fully realize the anticipated benefits of any future acquisitions successfully within our expected timeframe.

The macroeconomic cycle

Demand for private security and facility management services, including our security services, is significantly affected by the general level of economic activity and economic conditions in the various regions and sectors in which we operate. An economic downturn in a region or sector in which we operate may adversely affect our operations in that region or sector, as the scale of operations of our customers may decrease and the ability of our customers to pay for our services may be impaired. Many of our top clients operate in sectors which may be significantly impacted by a downturn in local and global markets, such as mining, manufacturing, heavy industries, banking and financial services, IT/ ITeS, airports and aviation. When economic activity increases, it results in an increase in the disposable income available with consumers and increase in minimum wages, which increases the demand for, and investments in, infrastructure, manufacturing and services. We believe growth in these sectors and a resultant increase in scale and scope of businesses, will spur demand for our services from existing and new customers. We could experience more competitive pricing pressure during periods of economic downturn and a shift to unorganized or local players. Also, declining unemployment levels may make it harder for us to recruit personnel to render services at our client premises.

Competition

We provide a wide range of private security and facility management services including security services, cash logistics, electronic security and home alarms monitoring and response and facility management including pest and termite control. Consequently we compete with a range of organized and unorganized competitors depending on the nature and location of services provided. Many of the industries that we operate in have low barriers to entry and have a significant number of unorganized sector players. As a result, we face competition from both unorganized segment and from established players with substantial marketing and financial resources at their disposal, and in both regional and local as well as national markets. We expect competition levels to remain high, which could constrain our ability to maintain or increase our market share or profitability.

Foreign Exchange Rates

Our primary operations are in India and we report our results of operations in the Indian Rupee. However, our Australian subsidiaries report their financial results in the Australian Dollar, which is then translated to Rupees for purposes of consolidation. Hence, the carrying value of our Australian assets on our balance sheet, as well as the value of our revenue and expenses from our Australian operations on our consolidated statement of profit and loss, depend significantly on the AUD-to-Rupee exchange rate. Our revenue from our security services operations in Australia (not including the pro forma impact of the SXP Acquisition) were ₹ 23,945.35 million, ₹ 21,925.88 million and ₹ 22,509.35 million or 52.43%, 57.15% and 63.40% of our total revenue from operations for the Fiscal Years 2017, 2016 and 2015, respectively. An appreciation of the Australian Dollar against the Rupee would have a positive impact on our consolidated results of operations, as the revenue and profit that we make from our Australian operations would be worth more in Rupee terms. Conversely, a depreciation of the Australian Dollar against the Rupee would have a negative impact on our consolidated results of operations, as the revenue and profit that we make from our Australian operations would be lower in Rupee terms. The average conversion rate of the Australian Dollar to the Indian Rupee was 50.31, 48.07 and 52.91 for the Fiscal Years 2017, 2016 and 2015, respectively (*source: www.x-rates.com*).

For further details, please see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*" on page 15.

Critical Accounting Policies

Basis of preparation

Our financial statements have been prepared to comply in all material respects with the accounting standards as prescribed by Section 133 of the Companies Act, 2013, read with Rule (7) of the Companies (Accounts) Rules, 2014 and the relevant provisions and requirements of the Companies Act, 2013. The audited consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by our Company and our subsidiaries, joint ventures and associate entities since incorporation. Further, the consolidated financial statements are presented in the general format specified in Schedule III to the Companies Act, 2013.

Basis of consolidation

The consolidated financial statements are based, in so far as they relate to amounts included in respect of our Company's subsidiaries, associates and joint ventures on the audited financial statements prepared for consolidation in accordance with the requirements of Accounting Standard - 21 (AS 21) on "Consolidated Financial Statements", Accounting Standard - 23 (AS 23) on "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard - 27 (AS 27) on "Financial Reporting of Interests in Joint Ventures" by each of the included entities.

In case of subsidiaries, line-by-line consolidation of the statement of profit and loss and balance sheet is done by aggregating like items of assets, liabilities, income and expenses. The excess or deficit of the cost of our Company's investments in subsidiaries over its share of net worth of the subsidiaries at the date of investment in the subsidiaries are treated as goodwill or capital reserve in the consolidated financial statements. The goodwill is disclosed as an asset and capital reserve as a reserve in the consolidated balance sheet.

Minority interest in the net income (profit after tax) for the reporting period is identified and shown separately in the Statement of Profit and Loss and adjusted against the consolidated income to arrive at our net income; likewise the minority interest in the net assets of the consolidated subsidiaries is identified and presented separately on the liabilities side in the consolidated balance sheet. Inter-company transactions balances and unrealized gains on transactions between our Company and our subsidiaries, associates and joint ventures are eliminated for arriving at the consolidated financial statements. Unrealized losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of our subsidiaries have been changed where necessary to ensure consistency with the policies adopted by us.

On acquisition of a subsidiary or a business, the goodwill or capital reserve arising from such acquisition is included in the carrying amount of the investment and also disclosed separately. Only share of net profits or losses of associates is considered in the consolidated statement of profit and loss. The carrying amount of the investment in associates is adjusted by the share of net profits or losses in the consolidated balance sheet.

Use of estimates

The presentation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions we may undertake in future, actual results ultimately may differ from the estimates.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to us, as applicable, and the revenue can be reliably measured. Revenue comprises the fair value for the rendering of services and sale of goods and is net of rebates and discounts. Revenue is recognized as follows:

Revenue from services represents the amounts receivable for services rendered. For non-contract based business, revenue represents the value of goods delivered or services performed. For contract based business, revenue represents the sales value of work carried out for customers during the period. Such revenues are recognized in the period in which the service is provided.

For sale of goods, revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably and the amount of revenue can be measured reliably.

Interest on deployment of surplus funds is recognized using the time proportionate method, based on the interest rate implicit in the transaction.

Dividend income from financial assets is recognized in profit or loss as part of revenue from continuing operations when the company's right to receive payments is established.

Fixed assets

Fixed assets and intangible assets. Fixed assets and intangible assets are stated at cost of acquisition less accumulated depreciation/amortization and impairment losses, if any. Cost comprises the purchase price and any attributable cost, including freight, duties, levies and direct incidental expenses, of bringing the asset to its working condition for its intended use and also includes cost of modification and improvements to leased assets. Borrowing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Goodwill. Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is allocated to cash generating units and tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Brand name. Brand name is not amortized and tested annually for impairment.

Depreciation

Depreciation on fixed assets, except service equipment, software, leased assets and leasehold improvements, is provided based on the useful life of the assets as prescribed under Schedule II to the Companies Act, or which are estimated to be the useful life of fixed assets by the management and considering residual values on the basis of past experience. Additions are depreciated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. The written down value method of depreciation is followed by our Company, our subsidiaries, associates and joint ventures incorporated in India. For those entities not incorporated in India, the straight-line method of depreciation is followed. These methods have been followed consistently by the respective entities since incorporation.

Service equipment is depreciated over its useful life as technically assessed. Leasehold improvements on operating leases are depreciated over the shorter of the period of the lease and their estimated useful lives. Intangible assets comprise of software which are amortized over a period of three to five years, based on estimated useful life as ascertained by the management. . The amortization period and the amortization method are reviewed at least at each Fiscal Year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Goodwill arising on consolidation or acquisition is not amortised but is tested for impairment. Acquired goodwill is amortised over a period of 4 years on straight-line basis. Assets acquired/purchased as part of the acquisition of business are depreciated over a period estimated to be the remaining useful life of fixed assets by the management.

Borrowing Costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the consolidated statement of profit and loss in the period in which they are incurred.

Leases

Finance leases, which effectively transfer to us substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that we will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

Inventory

Inventories are carried at the lower of cost or net realizable value and are valued using the actual cost of purchase on a first-in-first-out (FIFO) basis. Cost includes custom duty, freight and other charges as applicable. We periodically review inventories to provide for diminution in the value of, or any unserviceable or obsolete, inventories.

Retirement benefits

Defined Contribution Plan

Our policy is to contribute, on a defined contribution basis, for eligible employees, to 'Employee's Provident Fund' and 'Employee Pension Scheme' towards post-employment benefits, all of which are administered by the respective Government authorities and has no further obligation beyond making its contribution which is expected in the year in which it pertains. In respect of our subsidiaries, joint ventures and associate entities not incorporated in India, contributions to superannuation funds are recognized as an expense as they become payable. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined Benefit Plan

We have a defined benefit plan, i.e., gratuity, for all our employees, and our policy is to determine the liability for this benefit and to accrue and provide for the same as determined by an independent actuarial valuation as per the requirements of Accounting Standard – 15 on 'Employee Benefits'. A portion of this liability for gratuity is contributed to a fund administered and operated by a reputed insurance company. Actuarial gains or losses, if any, are recognized immediately in statement of profit and loss as income or expense.

Liabilities for wages and salaries, including non-monetary benefits, long service leave and annual leave expected to be settled within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognized in the provision for employee benefits. All other short-term employee benefit obligations are presented as other payables and accruals.

In respect of leave entitlement of employees, which is carried forward per the leave policy of our respective subsidiaries, joint ventures and associate entities, the liability is accrued and provided for as determined by an independent actuarial valuation as per the requirements of Accounting Standard - 15 on 'Employee Benefits'. Actuarial gains or losses, if any, are recognized immediately in statement of profit and loss as income or expense. In respect of those employees who are entitled to an encashment of the leave at the end of every calendar year, a provision is created to account for the liability.

The liability for long service leave and annual leave which is not expected to be settled within twelve months after the end of the period in which the employees render the related service is recognized in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statements of comprehensive income. The obligations are presented as current liabilities in the balance sheets if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Taxes on income

Tax expense comprise 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 respective tax legislation in the jurisdiction of the countries in which our Company or our subsidiaries, associates and joint ventures, as applicable, is incorporated. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. 'Minimum Alternate Tax' credit is recognized as an asset only when and to the extent there is convincing evidence that we will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the Minimum Alternate Tax' credit asset is written down to the extent there is no longer a convincing evidence to the effect that the entity will pay normal income tax during the specified period.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized. The tax expense in the consolidated financial statements is the aggregate of the amounts of tax expense appearing in the separate financial statements of the parent and its subsidiaries.

Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items that 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 that are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting of our monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognized as income or as expenses in the year in which they arise except those pertaining to fixed assets which have been acquired from a country outside India, in which case the exchange difference arising on borrowings are adjusted to the cost of the fixed asset.

Forward exchange contracts

We use forward exchange contracts to hedge our exposure to movements in foreign exchange rates. We do not use the forward exchange contracts for trading or speculation purposes. In respect of foreign currency monetary assets or liabilities in respect of which forward exchange contract is taken, the premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract, except where it relates to fixed assets in which case it is adjusted to the cost of the corresponding asset. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period.

Provisions

A provision is recognized when we have a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. In respect of losses that are covered by insurance, such losses are recognized as an expense when there is clear evidence or determination or probability that any portion of the loss is not expected to be settled through insurance or other forms of recovery.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within our control or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

For further details on significant accounting policies applied by us see "*Financial Information – Financial Statements – Basis of Preparation and Significant Accounting Policies*" on page 357.

Segment Information

Our primary business segments in our restated consolidated financial statements are classified as follows:

- ***Security Services***, which includes a comprehensive range of security services ranging from providing trained security personnel for general guarding to highly specialized security roles in India and Australia. In Australia, we also provide paramedic and allied health, fire rescue services, mobile patrol, loss prevention and other related services;

- ***Cash Logistics***, which includes services such as cash in transit including transportation of bank notes and other valuables, doorstep banking as well as cash processing, ATM related services including ATM replenishment and first line maintenance and safekeeping, and vault related services for bullion and cash;

- ***Electronic Security***, which includes sale of, and consultation and installation services for, electronic security and surveillance equipment; and

- ***Facility Management***, comprising of cleaning and janitorial services, housekeeping services, glass cleaning, provision of receptionists and lift operators and electrical maintenance, as well as pest control services including pest and termite solutions for homes, businesses and industrial establishments.

We operate primarily in two geographies, India and Australia. In India, we operate in all of these four segments, however, since cash logistics, facility management and electronic security services individually constitute less than 10% of both the consolidated revenues and profits, they are combined under the "Others" category. In Australia, our business consists primarily of security services.

The table below sets forth our revenue for the Fiscal Years 2017, 2016 and 2015 across our business segments for our operations in India and outside India, in absolute terms and as a percentage of our total revenue from operations:

	Fiscal Year					
	2017		2016		2015	
	₹ in millions	*% of Total Revenue from Operations*	*₹ in millions*	*% of Total Revenue from Operations*	*₹ in millions*	*% of Total Revenue from Operations*
Revenue from Security Services (India)	15,874.80	34.76%	12,548.02	32.71%	10,262.65	28.90%
Revenue from Others (India)	5,839.78	12.79%	3,874.14	10.10%	2,636.92	07.43%
Revenue from Security Services (Outside India)*	23,945.35	52.43%	21,925.88	57.15%	22,509.35	63.40%
Revenue from Others (Outside India)	10.94	0.02%	14.17	00.04%	97.36	00.27%
Total Revenue from Operations	**45,670.87**	**100.00%**	**38,362.21**	**100.00%**	**35,506.28**	**100.00%**
***Revenue in AUD million**	**477.03**	-	**455.48**	-	**427.74**	-

Revenue and Expenses

Revenue

Our total revenue consists of revenue from operations and other income.

Revenue from Operations. Revenue from operations comprises revenues from sale of services being security services, cash logistics services, facility management and pest and termite control services, training fees, fees for investigation works and other revenue as well as revenue from sale of products as part of our electronic security business.

Other Income. Other income comprises of interest income from bank deposits, profit or loss from sale of investments and fixed assets and foreign exchange fluctuations (net), and other non-operating income.

Expenses

Expenses consists of employee benefit expenses, cost of materials and components consumed, purchase of traded goods, changes in inventories, finance costs, depreciation and amortization expense and other expenses.

Employee benefit expenses. Employee benefit expenses primarily consist of employee salaries, wages and bonuses, and to a lesser extent, contributions to provident fund and other welfare and retirement funds including accruals and payments for other employee retirement benefits, employee stock option compensation expenses and staff welfare expenses.

Cost of materials and components consumed. Cost of materials and components consumed comprises direct costs incurred towards the purchase of chemicals for our facility management and pest and termite control businesses.

Purchase of traded goods. Purchase of traded goods comprises of purchase of electronic security and surveillance products as a part of our electronic security business.

Changes in inventories. Changes in inventories comprise net increases or decreases in inventory levels of finished goods stocks of electronic security and surveillance products as a part of our electronic security services business.

Finance costs. Finance costs consist of interest expenses on borrowings, other borrowing costs and bank charges.

Depreciation and amortization expense. Tangible and intangible assets are amortized over periods corresponding to their estimated useful lives. See " – *Critical Accounting Policies – Depreciation*" on page 445.

Other Expenses. Other expenses include other direct operating costs in relation to sub-contracting costs for our operations in Australia, vehicle hire charges and fuel and lubricant charges in relation to our owned and hired vehicles, repair and maintenance of vehicles and cash van crew charges, cash burial charges, training expense for our personnel, business promotion and deductions and discounts, royalty payments in relation to our facility management business and general administrative expenses such as travelling and conveyance costs for our businesses, postage and telephone, rent payment charges, legal and professional fees, stationery and printing, rates and taxes, insurance payments, repairs and maintenance of buildings, machinery, provisions for bad and doubtful debts and others.

Share of net profit of associates accounted using the equity method (net). This represents our share of net profits / losses of associates

Restated Profits

Fiscal Year 2017 Compared to Fiscal Year 2016

Our restated consolidated profit after taxation for the year after minority interest and share of associate company increased by 20.53% to ₹912.79 million for the Fiscal Year 2017 from ₹ 757.30 million for the Fiscal Year 2016, primarily due to:

- an increase in revenues from our existing customers in Fiscal Year 2017 from Fiscal Year 2016 as a result of both increase in wages paid to our personnel (and consequent increase in customer payment obligations) and increase in scope and scale of services provided;

- an increase in the number of customers premises at which we rendered security and facility management services in India to 11,523 as of March 31, 2017 from 8,600 as of March 31, 2016;

- availment of deduction under section 80JJAA of Income Tax Act, 1961 in Fiscal Year 2017 resulting in a reduction in tax expense by ₹117.76 million; and

- impact of Dusters acquisition with effect from August 1, 2016 which resulted in our consolidating Dusters for an eight-month period during Fiscal Year 2017; acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security by our joint venture companies, SIS Cash and SIS Prosegur; and full year impact of the conversion of SIS Cash Services Private Limited from a Subsidiary to a joint venture in Fiscal Year 2017 as compared to a two-month period in Fiscal Year 2016.

Fiscal Year 2016 Compared to Fiscal Year 2015

Our restated consolidated profit after taxation for the year after minority interest and share of associate company increased by 20.82% to ₹757.30 million for the Fiscal Year 2016 from ₹ 626.79 million for the Fiscal Year 2015, primarily due to:

- an increase in revenues from our existing customers in Fiscal Year 2016 from Fiscal Year 2015 as a result of both increase in wages paid to our personnel (and consequent increase in customer payment obligations) and increase in scope and scale of services provided;

- an increase in the number of customers premises at which we rendered security and facility management services in India to 8,600 as of March 31, 2016 from 7,461 as of March 31, 2015; and

- the full year impact of conversion of SIS Cash from subsidiary to joint venture in Fiscal Year 2017 as compared to a two-month period in Fiscal Year 2016.

Fiscal Year 2015 Compared to Fiscal Year 2014

Our restated consolidated profit after taxation for the year after minority interest and share of associate company decreased by 8.67% from ₹686.61 million for the Fiscal Year 2014 to ₹626.79 million for the Fiscal Year 2015, primarily due to:

- a one-time increase in depreciation as a result of a change in the method of computing useful lives in accordance with the provisions of Schedule II to the Companies Act, 2013;

- the effect of an increase in the bonus expense due to a retroactive change in bonus increasing the eligibility ceilings and the level of the bonus payable to employees;

- accounting for ESOP expense in respect of employee stock options granted in Fiscal Year 2015; and

- an increase in contributions made to employees' provident fund and other welfare and retirement funds by 19.52% to ₹2,578.00 million for Fiscal Year 2015 from ₹2,156.97 million for Fiscal Year 2014 partly as a result of a statutory increase in the minimum contribution levels by employers and employees.

Fiscal Year 2014 Compared to Fiscal Year 2013

Our restated consolidated profit after taxation for the year after minority interest and share of associate company increased by 20.34% to ₹686.61 million for the Fiscal Year 2014 from ₹571.52 million for the Fiscal Year 2013, primarily due to:

- an increase in revenues from our existing customers in Fiscal Year 2014 from Fiscal Year 2013 as a result of both increase in wages paid to our personnel (and consequent increase in customer payment obligations) and increase in scope and scale of services provided; and

- an increase in the number of customers premises at which we rendered security and facility management services in India to 7,559 as of March 31, 2014 from 5,029 as of March 31, 2013.

Our Results of Operations

The following table sets out financial data from our restated consolidated statement of profit and loss for the Fiscal Years 2017, 2016 and 2015, the components of which are also expressed as a percentage of total revenue for such fiscal periods:

	Fiscal Year					
	2017		**2016**		**2015**	
	(₹ in millions)	*(% of Total Revenue)*	*(₹ in millions)*	*(% of Total Revenue)*	*(₹ in millions)*	*(% of Total Revenue)*
INCOME						
Revenue from Operations	45,670.87	99.78%	38,362.22	99.64%	35,506.28	99.59%
Other Income	100.35	0.22%	139.00	0.36%	145.23	0.41%
Total Revenue	**45,771.22**	**100.00**%	**38,501.21**	**100.00**%	**35,651.52**	**100.00**%
EXPENSES						
Employee Benefits Expense	37,886.64	82.77%	31,162.43	80.94%	28,920.15	81.12%
Finance Costs	748.76	1.64%	475.18	1.23%	477.41	1.34%
Depreciation and Amortization Expense	456.47	1.00%	431.57	1.12%	454.36	1.27%
Purchase of Traded Goods	51.09	0.11%	71.22	0.18%	103.63	0.29%

	Fiscal Year					
	2017		2016		2015	
	(₹ in millions)	*(% of Total Revenue)*	*(₹ in millions)*	*(% of Total Revenue)*	*(₹ in millions)*	*(% of Total Revenue)*
Cost of Raw Materials and Components Consumed	134.55	0.29%	35.86	0.09%	23.78	0.07%
Other Expenses	5,381.87	11.76%	5,398.53	14.02%	4,865.81	13.65%
Total Expense	**44,659.37**	**97.57%**	**37,574.80**	**97.59%**	**34,845.14**	**97.74%**
Share of net profit of associates	17.05	0.04%	15.61	0.04%	9.29	0.03%
Restated Profit Before Tax	**1,128.91**	**2.47%**	**942.03**	**2.45**%	**815.66**	**2.29**%
Total Tax Expense	223.50	0.49%	296.31	0.77%	330.85	0.93%
Restated Profit After Tax Before Minority Interest and Share of Associate Company	**905.41**	**1.98%**	**645.72**	**1.69**%	**484.81**	**1.36**%
Conversion to Joint Venture from Subsidiary	Nil	0.00%	92.80	0.24%	Nil	0.00%
Less: Minority interest in loss for the year	(7.38)	(0.02%)	(18.78)	(0.05%)	(141.98)	(0.40%)
Profit for the Year After Restatement Adjustments	**912.79**	**1.99%**	**757.30**	**1.97%**	**626.79**	**1.76%**

Fiscal Year 2017 Compared to Fiscal Year 2016

Our results of operations for the Fiscal Year 2017 were particularly affected by the following factors:

- an increase in revenues from our existing customers in Fiscal Year 2017 from Fiscal Year 2016 as a result of both increase in wages paid to our personnel (and consequent increase in customer payment obligations) and increase in scope and scale of services provided;

- an increase in the number of customers premises at which we rendered security and facility management services in India to 11,523 as of March 31, 2017 from 8,600 as of March 31, 2016;

- an increase in our number of employees in India by 39.52% to 146,138 as of March 31, 2017 from 104,743 as of March 31, 2016, as a result of acquisition of Dusters, organic growth in our business and a consequent increase in employee benefit expenses by 21.58% to ₹37,886.64 million for the Fiscal Year 2017 from ₹31,162.43 million for the Fiscal Year 2016 as well as an increase in other expenses to support the growth in our business; and

- impact of Dusters acquisition with effect from August 1, 2016 which resulted in our consolidating Dusters for an eight-month period during Fiscal Year 2017; acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security by our joint venture companies, SIS Cash and SIS Prosegur; and the full year impact of the conversion of SIS Cash from a subsidiary to a joint venture with effect from February 1, 2016.

Total Revenue

Our total revenue increased by 18.88% to ₹45,771.22 million for the Fiscal Year 2017 from ₹38,501.21 million for the Fiscal Year 2016, primarily due to an increase in our revenue from operations.

Revenue from Operations. Our revenue from operations increased by 19.05% to ₹45,670.87 million for the Fiscal Year 2017 from ₹38,362.22 million for the Fiscal Year 2016 primarily due to an increase in revenues from our security services in India and Australia in local currency terms, cleaning services and facility management service (including the effect of our acquisition of facility management business of Dusters in India with effect from August

1, 2016), the effect of the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security, with effect from December 10, 2016 by our joint venture companies, viz., SIS Cash and SIS Prosegur, which was partially offset by the full year impact of the conversion of SIS Cash from a subsidiary to a joint venture with effect from February 1, 2016.

Our revenue from security services increased by 15.50% to ₹39,820.15 million for the Fiscal Year 2017 from ₹34,473.90 million for the Fiscal Year 2016 primarily due to:

- an increase in our revenues from our security services operations in India by 26.51% to ₹15,874.80 million for Fiscal Year 2017 from ₹12,548.02 million for Fiscal Year 2016 due to the increase in the number of customers premises we served and increase in revenues from our existing customers as a result of both increase in wages paid to our personnel and increase in scope and scale of services provided. We employed 96,367 personnel for our security services business in India and rendered security services at 9,044 customer premises in India as of March 31, 2017 as compared to 83,742 personnel and 7,252 customer premises as of March 31, 2016; and

- an increase in revenues from our security services operations in Australia in Australian Dollar terms by 4.73% to AUD 477.03 million for Fiscal Year 2017 from AUD 455.48 million for Fiscal Year 2016, which was also recorded as an increase of 9.21% in recognized revenues from our security services operations in Australia, from ₹21,925.88 million for Fiscal Year 2016 to ₹23,945.35 million for Fiscal Year 2017.

Our revenue from cash logistics services decreased by 57.54% to ₹1,651.28 million for the Fiscal Year 2017 from ₹2,869.58 million for the Fiscal Year 2016 primarily due to the full year impact of conversion of SIS Cash from subsidiary to joint venture in Fiscal Year 2017 as compared to a two-month period in Fiscal Year 2016. We were also impacted during the time frame of November 2016 to February 2017 as a result of the demonitisation efforts of the Government of India as there were lower cash replenishment in the ATMs's served by us on account of shortage of currency notes of newer denomination. However, this was partially offset by the effect of the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security, with effect from December 10, 2016 by our joint venture companies, viz., SIS Cash and SIS Prosegur.

Our revenue from facility management and cleaning services increased by 368.16% to ₹3,869.38 million for the Fiscal Year 2017 from ₹826.51 million for the Fiscal Year 2016 primarily due to the increase in revenue in cleaning business for the Fiscal Year 2017 as compared to the Fiscal Year 2016 and the effect of our acquisition of the facility management business of Dusters in India with effect from August 1, 2016.

Our revenue from pest control services increased by 50.15% to ₹80.39 million for the Fiscal Year 2017 from ₹53.54 million for the Fiscal Year 2016 primarily due to an increase in the number of customers premises we served for Fiscal Year 2017 compared to Fiscal Year 2016.

Our revenue from the sale of products in relation to our electronic security business decreased by 36.17% from ₹108.65 million for the Fiscal Year 2016 to ₹69.34 million for the Fiscal Year 2017, primarily due to an increase in security equipment being provided to customers on a lease/rental basis as compared to outright sales in Fiscal Year 2016 and such income being accounted for as income from security services.

Other Income. Our other income decreased by 27.80% to ₹100.35 million for the Fiscal Year 2017 from ₹139.00 million for the Fiscal Year 2016, primarily on account of a profit from sale of investment of ₹33.34 million for the Fiscal Year 2016.

Expenses

In addition to an increase in the expenses on account of an increase in our business and number of employees, the increase in expenses, including finance costs and depreciation and amortisation, has also been the result of the effect of our acquisition of facility management business of Dusters in India with effect from August 1, 2016, the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security with effect from December 10, 2016 by our joint venture companies, viz., SIS Cash and SIS Prosegur and the full year impact of conversion of SIS Cash from subsidiary to joint venture in Fiscal Year 2017 as compared to a two-month period in Fiscal Year 2016.

Employee Benefits Expenses. Our employee benefits expenses increased by 21.58% to ₹37,886.64 million for the Fiscal Year 2017 from ₹31,162.43 million for the Fiscal Year 2016, primarily as a result of:

- an increase in the salaries and wages paid to our employees by 20.38% to ₹33,138.03 million for Fiscal Year 2017 from ₹27,528.40 million for Fiscal Year 2016 primarily due to increase in our number of employees in India by 39.52% to 146,138 as of March 31, 2017 from 104,743 as of March 31, 2016, as a result of the growth in our business, our acquisition of Dusters, as well as wage increases in Fiscal Year 2017;

- an increase in contributions made to employees' provident fund and other welfare and retirement funds by 31.23% to ₹4,204.64 million for Fiscal Year 2017 from ₹3,204.09 million for Fiscal Year 2016, as a result of the increase in the number of employees;

- an increase in our staff welfare expenses by 18.53% from ₹394.26 million for Fiscal Year 2016 to ₹467.32 million for Fiscal Year 2017; and

- an increase in employee stock option compensation by 114.74% to ₹76.66 million for Fiscal Year 2017 from ₹35.70 million for Fiscal Year 2016, as a result of options granted in terms of ESOP 2016.

Finance costs. Our finance costs increased by 57.57% from ₹475.18 million for the Fiscal Year 2016 to ₹748.76 million for the Fiscal Year 2017 primarily as a result of additional indebtedness incurred to finance the acquisition of Dusters during the Fiscal Year 2017 and the increased borrowings required to finance our working capital requirements.

Cost of Materials and Components Consumed. Cost of materials and components consumed increased by 275.23% to ₹134.55 million for the Fiscal Year 2017 from ₹35.86 million for the Fiscal Year 2016, primarily on account of higher volumes of chemicals purchased for our facility management and pest and termite control businesses in line with the increase in services rendered as a result of our acquisition of facility management business of Dusters in India.

Purchase of Traded Goods. Purchase of traded goods decreased by 28.27% from ₹71.22 million for the Fiscal Year 2016 to ₹51.09 million for the Fiscal Year 2017, primarily due to to a significant increase in security equipment being provided to customers on a lease/rental basis as compared to Fiscal Year 2016 and the resultant change in accounting treatment of such assets being treated as fixed assets instead of purchase of traded goods.

Depreciation and Amortization. Our depreciation and amortization expenses increased by 5.77% from ₹431.57 million for the Fiscal Year 2016 to ₹456.47 million for the Fiscal Year 2017, primarily due to increase in the depreciation on office equipment and plant and machinery and the amortisation of goodwill, created on merger, by Dusters. Our depreciation and amortization expenses expressed as a percentage of our total revenue were 1.00% and 1.12% for the Fiscal Years 2017 and 2016, respectively.

Other Expenses. Our other expenses decreased by 0.31% to ₹5,403.37 million for the Fiscal Year 2017 from ₹5,399.54 million for the Fiscal Year 2016.

Total Tax Expense. Our total tax expense was ₹223.50 million for the Fiscal Year 2017 and our total tax expense was ₹296.31 million for the Fiscal Year 2016. We recorded an increase in our deferred tax credit to ₹121.33 million for the Fiscal Year 2017 from ₹100.13 million for the Fiscal Year 2016, due to deferred tax assets created on tax losses incurred in our joint venture companies. Our current tax expense was reduced due to the availment of a deduction under section 80JJAA of the Income Tax Act, 1961 for an amount of ₹113.76 million.

Restated Profit after taxation for the year after restatement adjustments. Our restated profit after taxation for the year after minority interest and share of associate company increased by 20.53% to ₹912.79 million for the Fiscal Year 2017 from ₹757.30 million for the Fiscal Year 2016.

Fiscal Year 2016 Compared to Fiscal Year 2015

Our results of operations for the Fiscal Year 2016 were particularly affected by the following factors:

- an increase in revenues from our existing customers in Fiscal Year 2016 from Fiscal Year 2015 as a result of both increase in wages paid to our personnel (and consequent increase in customer payment obligations) and increase in scope and scale of services provided;

- an increase in the number of customers premises at which we rendered security and facility management services in India to 8,600 as of March 31, 2016 from 7,461 as of March 31, 2015;

- an increase in our number of employees in India by 13.33% to 104,743 as of March 31, 2016 from 92,427 as of March 31, 2015, as a result of the growth in our business and a consequent increase in employee benefit expenses by 7.75% to ₹31,162.43 million for the Fiscal Year 2016 from ₹28,920.15 million for the Fiscal Year 2015 as well as an increase in other expenses to support the growth in our business; and

- an increase in revenues from our security services operations in Australia in Australian Dollar terms for Fiscal Year 2016 from Fiscal Year 2015, however which was recorded as a decrease in recognized revenues from our security services operations in Australia, in Indian Rupee terms, as a result of exchange rate translation.

Total Revenue

Our total revenue increased by 7.99% to ₹38,501.21 million for the Fiscal Year 2016 from ₹35,651.52 million for the Fiscal Year 2015, primarily due to an increase in our revenue from operations.

Revenue from Operations. Our revenue from operations increased by 8.04% to ₹38,362.22 million for the Fiscal Year 2016 from ₹35,506.28 million for the Fiscal Year 2015 primarily due to an increase in revenues from our security services in India and Australia in local currency terms (i.e. Indian Rupees and Australian Dollars, respectively), cash logistics services (including the full year effect of our acquisition of the cash logistics business of ISS SDB Security Services Private Limited in India in December 2014) and cleaning services. However, we recorded a decrease in recognized revenues from our security services operations in Australia, in Indian Rupee terms, as a result of exchange rate translation.

Our revenue from security services increased by 5.19% to ₹34,473.90 million for the Fiscal Year 2016 from ₹32,772 million for the Fiscal Year 2015 primarily due to:

- an increase in our revenues from our security services operations in India by 22.27% to ₹12,548.02 million for Fiscal Year 2016 from ₹10,262.65 million for Fiscal Year 2015 due to the increase in the number of customers premises we served and increase in revenues from our existing customers as a result of both increase in wages paid to our personnel and increase in scope and scale of services provided. We employed 83,742 personnel for our security services business in India and rendered security services at 7,252 customer premises in India as of March 31, 2016 as compared to 74,859 personnel and 6,681 customer premises as of March 31, 2015; and

- an increase in revenues from our security services operations in Australia in Australian Dollar terms by 6.49% to AUD 455.48 million for Fiscal Year 2016 from AUD 427.74 million for Fiscal Year 2015, however which was recorded as a decrease in recognized revenues from our security services operations in Australia by 2.59% from ₹22,509.35 million for Fiscal Year 2015 to ₹21,925.88 million for Fiscal Year 2016 as a result of exchange rate translation.

Our revenue from cash logistics services increased by 42.02% to ₹2,869.58 million for the Fiscal Year 2016 from ₹2,020.58 million for the Fiscal Year 2015 primarily due to:

- the full year effect in Fiscal Year 2016, compared to a four month effect in Fiscal Year 2015, of our acquisition of the cash logistics business of ISS SDB Security Services Private Limited in India in December 2014; and

- an increase in the number of customers and revenues earned from customers as a result of increase in ATM locations we serviced and number of cash pick-ups performed for Fiscal Year 2016 as compared to Fiscal Year 2015.

Our revenue from facility management and cleaning services increased by 61.24% to ₹826.51 million for the Fiscal Year 2016 from ₹512.60 million for the Fiscal Year 2015 primarily due to an increase in the number of customer premises we served to 1,348 as of March 31, 2016 from 780 as of March 31, 2015 and an increase in the price and scope of our services to existing customers.

Our revenue from pest control services increased by 23.77% to ₹53.54 million for the Fiscal Year 2016 from ₹43.26 million for the Fiscal Year 2015 primarily due to an increase in the number of customers premises we served for Fiscal Year 2016 compared to customer premises served for Fiscal Year 2015.

Our revenue from the sale of products in relation to our electronic security business decreased by 15.92% from ₹129.21 million for the Fiscal Year 2015 to ₹108.65 million for the Fiscal Year 2016, primarily due to the completion of a contract for supply of electronic security products in Australia during Fiscal Year 2015, which was partially offset by an increase in sale of electronic security products in India.

Other Income. Our other income decreased by 4.29% to ₹139.00 million for the Fiscal Year 2016 from ₹145.23 million for the Fiscal Year 2015, primarily on account reduction in profit/loss from foreign exchange fluctuations from a profit of ₹14.69 million for the Fiscal Year 2015 to a loss of ₹0.97 million for the Fiscal Year 2016.

Expenses

Employee Benefits Expenses. Our employee benefits expenses increased by 7.75% to ₹31,162.43 million for the Fiscal Year 2016 from ₹28,920.15 million for the Fiscal Year 2015, primarily as a result of:

- an increase in the salaries and wages paid to our employees by 6.27% to ₹27,528.40 million for Fiscal Year 2016 from ₹25,903.54 million for Fiscal Year 2015 primarily due to increase in our number of employees in India by 13.33% to 104,738 as of March 31, 2016 from 92,427 as of March 31, 2015, as a result of the growth in our business as well as an increase in wage levels in Fiscal Year 2016 as compared to Fiscal Year 2015;

- an increase in contributions made to employees' provident fund and other welfare and retirement funds by 24.29% to ₹3,204.10 million for Fiscal Year 2016 from ₹2,578.00 million for Fiscal Year 2015, as a result of the increase in the number of employees; and

- an increase in employee stock option compensation by 11.14% to ₹35.70 million for Fiscal Year 2016 from ₹32.12 million for Fiscal Year 2015, in accordance with our employee stock options ("**ESOP**") scheme; which was partially offset by a decrease in:

- our staff welfare expenses by 3.01% from ₹406.50 million for Fiscal Year 2015 to ₹394.26 million for Fiscal Year 2016.

Finance costs. Our finance costs decreased by 0.47% from ₹477.41 million for the Fiscal Year 2015 to ₹475.18 million for the Fiscal Year 2016 due to a decrease in our other borrowings costs in Fiscal Year 2016 compared to the upfront fees incurred in March 2015 for a financing facility drawdown in Australia which was partially offset by an increase in our interest expenses in Fiscal Year 2016, due to the increase in average borrowings and the full year effect of the interest expenses on the financing facility drawn down in Australia.

Cost of Materials and Components Consumed. Cost of materials and components consumed increased by 50.79% to ₹35.86 million for the Fiscal Year 2016 from ₹23.78 million for the Fiscal Year 2015, primarily on account of greater volumes of chemicals purchased for our facility management and pest and termite control businesses due to an overall increase in services rendered.

Purchase of Traded Goods. Purchase of traded goods decreased by 31.27% from ₹103.63 million for the Fiscal Year

2015 to ₹71.22 million for the Fiscal Year 2016, primarily due to decrease in the volume of traded goods purchased by us due to the completion of a contract for supply of electronic security products in Australia, which was partially offset by an increase in sale of electronic security products in India.

Depreciation and Amortization. Our depreciation and amortization expenses decreased by 5.02% from ₹454.36 million for the Fiscal Year 2015 to ₹431.57 million for the Fiscal Year 2016, primarily due to decrease in the depreciation on office equipment and other miscellaneous assets. Our depreciation and amortization expenses expressed as a percentage of our total revenue were 1.12% and 1.27% for the Fiscal Years 2016 and 2015, respectively.

Other Expenses. Our other expenses increased by 10.73% to ₹5,399.54 million for the Fiscal Year 2016 from ₹4,869.73 million for the Fiscal Year 2015, primarily due to an increase in other direct operating costs, including sub-contracting costs for labour for our business in Australia to ₹2,360.49 million for Fiscal Year 2016 from ₹2,236.88 million for Fiscal Year 2015; vehicle hire charges to ₹380.10 million for Fiscal Year 2016 from ₹308.42 million for Fiscal Year 2015 and recruitment costs, including in relation to recruitment kiosks, to ₹41.37 million for Fiscal Year 2016 from ₹11.80 million for Fiscal Year 2015; which was partially offset by a decrease in deductions and discounts to customers from ₹42.01 million for Fiscal Year 2015 to ₹20.51 million for Fiscal Year 2016.

Total Tax Expense. Our total tax expense was ₹296.31 million for the Fiscal Year 2016 and our total tax expense was ₹330.85 million for the Fiscal Year 2015. We recorded an increase in our deferred tax credit to ₹100.13 million for the Fiscal Year 2016 from ₹45.86 million for the Fiscal Year 2015, due to deferred tax assets created on tax losses incurred in our Joint Venture companies, which was partially offset by an increase in our current tax expense to ₹396.44 million for Fiscal Year 2016 from ₹376.71 million for Fiscal Year 2015.

Restated Profit after taxation for the year after restatement adjustments. Our restated profit after taxation for the year after minority interest and share of associate company increased by 20.82% to ₹757.30 million for the Fiscal Year 2016 from ₹626.79 million for the Fiscal Year 2015, including due to the impact of the full year impact of conversion of SIS Cash from subsidiary to joint venture in Fiscal Year 2017 as compared to a two-month period in Fiscal Year 2016.

Liquidity and Capital Resources

Cash Flows

The table below summarizes our cash flows for the periods indicated:

	Fiscal Year		
	2017 *(₹ in millions)*	**2016** *(₹ in millions)*	**2015** *(₹ in millions)*
Net Cash generated from Operating Activities	944.45	730.25	712.67
Net Cash used in Investing Activities	(2,057.49)	(517.18)	(1,099.61)
Net Cash generated from/ (used in) Financing Activities	2,216.57	(637.07)	1,517.19
Net change in cash and cash equivalents	1,103.53	(424.00)	1,130.25
Cash and cash equivalents at the beginning of the period/ year	3,492.76	3,744.87	2,969.38
Cash and cash equivalents at the end of the period/ year	4,508.02	3,492.76	3,744.86

Operating Activities

Net cash generated from operating activities was ₹944.45 million for the Fiscal Year 2017, as a result of total cash generated from operations of ₹1,761.44 million which was partially offset by direct tax paid including fringe benefit tax (net of refunds) of ₹813.41 million. While our restated profit before tax was ₹1128.91 million for the Fiscal

Year 2017, we had an operating profit before working capital changes of ₹2505.56 million, as a result of adjustment of items relating to financing activities and non-cash items included in the consolidated statement of profit and loss primarily consisting of interest expense of ₹720.09 million, d epreciation and amortization of ₹456.47 million and bad debts written off or provided of ₹238.28 million. Our movement in working capital for Fiscal Year 2017, was an increase of ₹744.12 million primarily consisting of an increase in trade receivables of ₹1213.72 million, increase in other current assets by ₹589.29 million, and an increase in loans and advances by ₹177.88 million, which was partially offset by an increase in other current liabilities by ₹992.01 million, increase in trade payables of ₹136.38 million and an increase in provisions by ₹137.47 million. There was an increase in trade receivables primarily as a result of consolidation of receivables of Dusters which was consolidated with effect from August 1, 2016. This impact was partially offset by an increase in the number of days of current liabilities by approximately two days. The increase in other current assets was a result of increase in unbilled revenue in line with increase in our revenue from operations and increase in other debtors and prepayments as a result of prepayments made during the year which are amortized over a 12 month period.

Net cash generated from operating activities was ₹730.25 million for the Fiscal Year 2016, as a result of total cash generated from operations of ₹1,313.25 million which was partially offset by direct tax paid including fringe benefit tax (net of refunds) of ₹583.00 million. While our restated profit before tax was ₹942.03 million for the Fiscal Year 2016, we had an operating profit before working capital changes of ₹2,057.89 million, primarily as a result of adjustment of items relating to financing activities and non-cash items included in the consolidated statement of profit and loss primarily consisting of interest expense of ₹456.64 million, depreciation of ₹431.57 million and bad debts written off or provided of ₹296.15 million. Our movement in working capital for the Fiscal Year 2016 was an increase of ₹744.64 million primarily consisting of an increase in other current assets, on account of unbilled revenue, advance income tax and other debtors and payments by ₹604.92 million, an increase in trade receivables by ₹314.73 million and an increase in loans and advances by ₹104.02 million, which was partially offset by an increase in provisions by ₹225.71 million. The increase in other current assets was as a result of unbilled revenue, advance income tax and other debtors and payments and the increase in trade receivables was in line with the increase in revenue from operations. The increase in provisions was due to increase in the provisions for employee compensation due to compensated absences and gratuity payments due to increase in our total number of employees.

Net cash generated from operating activities was ₹712.67 million for the Fiscal Year 2015, as a result of total cash generated from operations was ₹1,282.53 million which was partially offset by direct tax paid including fringe benefit tax (net of refunds) of ₹569.87 million. While our restated profit before tax was ₹815.66 million for the Fiscal Year 2015, we had an operating profit before working capital changes of ₹1,797.74 million, primarily as a result of adjustment of items relating to financing activities and non-cash items included in the consolidated statement of profit and loss primarily consisting of interest expense of ₹455.13 million, depreciation of ₹454.36 million and bad debts written off or provided of ₹182.15 million. Our movement in working capital for the Fiscal Year 2015 was an increase of ₹515.20 million primarily consisting of an increase in other current assets on account of unbilled revenue by ₹718.44 million, an increase in trade receivables by ₹623.35 million and an increase in loans and advances by ₹207.23 million, which was partially offset by an increase in other current liabilities by ₹736.12 million, an increase in provisions by ₹198.95 million and an increase in trade payables by ₹111.13 million. The increase in other current assets was as a result of unbilled revenue, advance income tax and other debtors and payments and increase in trade receivables was in line with the increase in revenue from operations as well as a delay in payments received from certain customers in our cash logistics business. The increase in other current liabilities was due to general growth in our business, the increase in provisions was due to increase in the provisions for employee compensation due to compensated absences and gratuity payments as a result of increase in our total number of employees and the increase in trade payables was as a result of general growth in our business.

Investing Activities

Net cash used in investing activities was ₹2,057.49 million for the Fiscal Year 2017, primarily consisting of investments made and purchase of long term investments (acquisition of business) of ₹1,528.33 million, including expenses, for the acquisition of Dusters and the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security, and purchase of fixed assets including intangible assets and capital work in progress of ₹670.39 million in relation to cash vans and vehicles, office equipment and furniture & fixtures which was partially offset by interest received of ₹85.59 million on bank deposits and loans.

Net cash used in investing activities was ₹517.18 million for the Fiscal Year 2016, primarily consisting of purchase of fixed assets including intangible assets and capital work in progress of ₹658.60 million in relation to investments in buildings, cash vans, furniture, office equipment and plant and equipment, which was partially offset by interest received of ₹85.65 million on bank deposits and loans.

Net cash used in investing activities was ₹1,099.61 million for the Fiscal Year 2015, primarily consisting of purchase of long term investments of ₹721.09 million in relation to our acquisition of the cash and valuables services division of ISS SDB Security Services Private Limited, two subsidiaries and the purchase of fixed assets and changes in capital work in progress of ₹468.55 million in relation to cash vans, office equipment and other assets which was partially offset by interest received of ₹72.05 million on bank deposits.

Financing Activities

Net cash generated from financing activities was ₹2,216.57 million for the Fiscal year 2017, primarily consisting of proceeds from long term borrowings of ₹2,098.41 million in relation to loan facilities availed for the acquisition of Dusters and the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security and increased working capital requirements including proceeds from bonds and debentures issued (net) of ₹872.03 million (in relation to issuance of non-convertible debentures to Piramal Finance Private Limited by our Company) and change in loans repayable on demand by ₹354.47 million which was partially offset by interest payments on bank loans and others of ₹716.73 million and repayment of long term borrowings of ₹370.86 million.

Net cash used in financing activities was ₹637.07 million for the Fiscal Year 2016, primarily consisting of interest paid on bank loans and others of ₹522.57 million, repayment of long term borrowings of ₹394.15 million and dividends of ₹271.63 million paid to shareholders which was partially offset by change in loans repayable on demand by ₹370.53 million and proceeds from long term borrowings of ₹210 million.

Net cash generated from financing activities was ₹1,517.19 million for the Fiscal Year 2015, primarily consisting of proceeds from long term borrowings of ₹1,961.82 million and change in loans repayable on demand by ₹612.95 million which was partially offset by interest payments on bank loans and others of ₹456.41 million, repayment of long term borrowings of ₹400.85 million and dividends of ₹174.30 million paid to shareholders.

Indebtedness

Our indebtedness as of May 31, 2017, is set out below:

	Sanctioned Amount *(in ₹ million)*	**Outstanding amount as on May 31, 2017** *(in ₹ million)*
Term loans		
Long term:	6,927.43	3,482.16
NCDs	1,300.00	800.00
CCDs	176.23	176.23*
RDB	96.53	96.53
Working Credit Facilities		
Working capital demand loans	725.00	-
Cash credit	4,716.96	3,323.97
Bank Guarantee	1,962.14	1,037.25
Vehicle Loans	287.27	158.88
Unsecured Loans	200.00	100.00
Total	**16,391.56**	**9,175.01**

**In accordance with the Investment Agreement (as amended by the Second Amendment Agreement), 1,762,380 CCDs (1,727,485 CCDs held by Theano and 34,895 CCDs held by AAJV) were converted into 22 Equity Shares (of which 11 Equity Shares were allotted to each of Theano and AAJV). For further details, see "History and Certain Corporate Matters" on page 211, and footnote 30 to the table on the build-up of the equity share capital of the Company on page 104.*

See “*Financial Indebtedness*” for a description of material terms of our indebtedness, on page 464.

Our long term borrowings as of May 31, 2017 were ₹4,529.94 million. Our long term borrowings as of March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 were ₹4,059.53 million, ₹1,789.72 million, ₹2,003.58 million and ₹595.83 million, respectively. The increase in our long term borrowings in India during the Fiscal Year 2017, was in relation to facilities availed for the acquisition of Dusters as well as the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security and increased working capital requirements and in Fiscal Years 2016 and 2015, was primarily to fund increased working capital requirements of our security services and other businesses. We also availed financings in Australia during the Fiscal Years 2015 and 2017, in order to fund the acquisition of certain businesses in India investments in joint ventures and other group companies, as well as for meeting working capital requirements.

In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition.

Capital and Other Commitments

The following table sets forth a summary of the maturity profile of our contractual obligations as of March 31, 2017:

(₹ in millions)

Other contractual obligations	**Payments due by period**			
	Total	**Less than 1 year**	**1 -5 years**	**More than 5 years**
Operating lease obligations	1051.65	216.93	490.83	343.90
Long-term liabilities reflected on the Company’s balance sheet	4,824.06	-	-	-
Total	5,875.71	216.93	490.83	343.90

Capital Expenditure

Historical Capital Expenditure

For Fiscal Year 2017, we invested ₹ 670.39 million, primarily in buildings, cash vans, furniture, office equipment and plant and equipment and acquisition of fixed assets as a result of the Dusters acquisition and the assets acquired as part of the acquisition of specified business contracts, vendor contracts, licensed properties, employees and related assets from Scientific Security. For the Fiscal Year 2016, we invested ₹ 658.60 million, primarily in buildings, cash vans, furniture, office equipment and plant and equipment. For the Fiscal Year 2015, we invested ₹468.55 million, primarily in buildings, cash vans, furniture, office equipment and plant and equipment.

Our actual capital expenditures may differ from this amount due to various factors, including our business plan, our financial performance, market conditions, our outlook for future business conditions, the source and methodology of our financing activities and changing governmental regulations. To the extent that we do not generate sufficient cash from our operations to meet our working capital needs and execute our capital expenditure plans, we may need to revise our capital expenditure plans or seek additional debt or equity financing.

Contingent Liabilities

The following table sets forth our contingent liabilities as of March 31, 2017, March 31, 2016 and March 31, 2015:

(*in ₹ million*)

Particulars	**For Fiscal Year 2017**	**For Fiscal Year 2016**	**For Fiscal Year 2015**
Bank guarantees issued by the bank	1,028.34	617.46	786.32

Particulars	For Fiscal Year 2017	For Fiscal Year 2016	For Fiscal Year 2015
Others for which the Company is contingently liable	41.39	2.70	1.25
Claims against the Company not acknowledged as debts	192.65	54.45	36.34
Total	**1,262.38**	**674.61**	**823.91**

See also "*Financial Statements – Annexure XXX – Note 2*" and "*Financial Statements – Annexure XXXII – Note 2*" on pages 331 and 395, respectively.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to credit risk, foreign exchange risk, interest rate risk and inflation risk and in the normal course of our business.

Credit Risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. We typically have credit terms ranging from 30 to 90 days with our customers. As of March 31, 2017, March 31, 2016 and 2015, our trade receivables were ₹4,617.42 million, ₹2,876.94 million and ₹3,118.98 million, respectively. These do not include unbilled revenues of ₹3,691.57 million, ₹2,980.20 million and ₹2,594.90 million as of March 31, 2017, 2016 and 2015, respectively, which typically represent the invoicing for the last month of the relevant fiscal period, invoiced on the first day of the next month.

Foreign Exchange Risk

Changes in currency exchange rates influence our results of operations. The revenues generated from our operations in Australia are recorded in Australian Dollars. We are affected by fluctuations in exchange rates for certain currencies, particularly the Australian Dollar, due to their impact on foreign currency translation in Indian Rupee terms of financial assets for our Australian business. We are also exposed to foreign exchange risk as a result of exposure arising from transactions relating to purchases, revenues and expenses to be settled in other currencies and net investments in our foreign subsidiary that are in foreign currencies. For further information, see "*Risk Factors – We face foreign exchange risks that could adversely affect our results of operations*" on page 46.

Interest rate risk

We are exposed to market risk with respect to changes in interest rates related to our borrowings. Interest rate risk exists with respect to our indebtedness that bears interest at floating rates tied to certain benchmark rates as well as borrowings where the interest rate is reset based on changes in interest rates set by RBI. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations. Further, the interest rate for the loan amounts availed by us is typically expressed as the base rate of a specified lender and spread per annum, which is variable. Most of our financing agreements include provisions providing for interest rates to be periodically reset. In relation to our term loan facility from NAB in Australia our rate of interest payable is denominated as a floating rate, of which we hedge at least 75% of the floating rate risk, as per the terms of the loan agreement. For further information, see "*Risk Factors - Our financing agreements entail interest at variable rates and any increases* *in interest rates may adversely affect our results of operations*" on page 45 and "*Financial Indebtedness*" on page 464.

Inflation risk

India has experienced high inflation in the recent past, which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in our employee benefit payments or other expenses as a result of increase in inflation in India, which we are unable to pass on to our customers, whether entirely or in part, may adversely affect our business and financial condition.

Unusual or Infrequent Events or Transactions

To our knowledge, except as disclosed in this Prospectus, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "- *Significant Factors Affecting Our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 442 and 20, respectively. To our knowledge, except as disclosed in this Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in "*Risk Factors*" and this section, there are no known factors that might affect the future relationship between cost and revenue.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections "*Risk Factors*" and "*Our Business*" on pages 20 and 181, respectively.

Seasonality of Business

Our business is not seasonal in nature.

Dependence on a Few Customers

Our cash logistics business in dependent on a limited number of customers for a significant portion of its revenues. For the Fiscal Years 2017, 2016 and 2015, our top ten customers contributed 79.80%, 80.29% and 79.47% of our revenues from our cash logistics business, respectively. Further, in Australia, public sector undertakings and governmental customers, including customers in the defense sector, contributed approximately 30.00% of our revenues from the Australian security services business, for the Fiscal Year 2017. See "*Risk Factors – Our cash logistics business derives a significant portion of its revenue from a few customers and our Australia security services business relies on customers in certain industry sectors, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our services could adversely affect our business, results of operations, financial condition and cash flows*" on page 36.

New Products or Business Segments

Except as disclosed in "*Our Business*" on page 181, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Developments Occurring after March 31, 2017

Recent Acquisitions and Proposed Acquisitions and Demergers

Effective July 1, 2017, we, through our 100% subsidiary, SIS Australia Group, acquired an additional 41.00% equity interest in our associate, SXP ("**SXP Acquisition**"). As a result, SXP became our 51.00% owned-subsidiary. Further, the deed of put and call option agreement dated June 8, 2017 provides an option to SIS Australia Group to acquire a second and final tranche of 49% of the voting rights of SXP **("Balance SXP Shares")** on or after September 30, 2020.

Pursuant to the Dusters acquisition agreements, we have, on July 31, 2017, acquired a further 7.20% of the outstanding equity shares of Dusters (*i.e.* 201,702 equity shares) from employees (including certain ex-employees) and promoters of Dusters for an aggregate consideration of ₹ 116.63 million. Accordingly, as on the date of this Prospectus, we hold 85.92% of the equity share capital of Dusters.

As directed by the NCLT, on July 24, 2017, meetings of shareholders and creditors of our Company and creditors of SMC were convened for approval of the scheme of demerger between our Company, SMC, SIS Asset Management. The scheme of demerger was approved in these meetings. See "*History and Certain Corporate Matters – Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets*" on page 215.

Except as set out above, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially or 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.

Recent Accounting Pronouncements

Our Company prepares its annual and interim financial statements under Indian GAAP. Our Company is required to prepare annual and interim financial statements under Ind-AS commencing from April 1, 2017. Given that Ind-AS is different in many respects from Indian GAAP, under which we currently prepare our financial statements, the transition to Ind-AS may have a significant impact on our financial results and position. For further details, see "*Risk Factors – External Risk Factors – Our Company, will be required to prepare financial statements under Ind-AS. The transition to Ind-AS in India is very recent and there is no clarity on the impact of such transition on our Company*" on page 22.

For details on the significant differences between Indian GAAP and Ind-AS, see "*Significant Differences between Indian GAAP and Ind-AS*" beginning on page 432.

FINANCIAL INDEBTEDNESS

Pursuant to our Articles of Association, subject to applicable laws, our Board is authorised to borrow sums of money for the purpose of our Company, with or without security, upon such terms and conditions as the Board may think fit.

Pursuant to a resolution of the shareholders of our Company passed at the AGM held on September 29, 2014, the Board has been authorised to borrow, from time to time, any sum or sums of money, which together with the moneys already borrowed by our Company (apart from the temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital and its free reserves, provided that the total outstanding amount so borrowed shall not at any time exceed ₹ 15,000 million.

Our Company and our Subsidiaries avail loans in the ordinary course of our businesses and for funding working capital and capital expenditure requirements. In respect of the Offer, our Company has obtained the necessary consents required under the relevant loan documentations for undertaking activities, such as change in its capital structure, change in its shareholding pattern or change in management set up our Company.

Facilities availed by us

As on May 31, 2017, our Company has availed secured borrowings of ₹ 16,191.56 million and unsecured borrowings of ₹ 200 million on a consolidated basis. Set forth below is a brief summary of our aggregate outstanding borrowings (both fund based and non-fund based) on a consolidated basis as on May 31, 2017.

Category of borrowing	Sanctioned Amount (in ₹ million)	Outstanding amount as on May 31, 2017 (in ₹ million)
Term loans		
Long term:	6,927.43	3,482.16
NCDs	1,300.00	800.00
CCDs	176.23	176.23*
RDBs	96.53	96.53
Working Credit Facilities		
Working capital demand loans	725.00	-
Cash credit	4,716.96	3,323.97
Bank Guarantee	1,962.14	1,037.25
Vehicle Loans	287.27	158.88
Unsecured Loans	200.00	100.00
Total	**16,391.56**	**9,175.01**

**In accordance with the Investment Agreement (as amended by the Second Amendment Agreement), 1,762,380 CCDs (1,727,485 CCDs held by Theano and 34,895 CCDs held by AAJV) were converted into 22 Equity Shares (of which 11 Equity Shares were allotted to each of Theano and AAJV). For further details, see "History and Certain Corporate Matters" on page 211, and footnote 30 to the table on the build-up of the equity share capital of the Company on page 104.*

Principal terms of our borrowings availed by our Company:

Some of the principal terms of the borrowings availed by our Company on standalone basis are as follows:

1. **Interest –** In terms of the loans availed by our Company, the interest rate is typically the base rate of a specified lender and spread per annum, subject to a minimum interest rate. The spread varies among different loans and typically ranges from 0.75% p.a. to 2.75% p.a. The terms of certain loans subject us to additional interest at 2% p.a. if disbursements are made pending creation of security documents. Also, for some of our loans, interest may also be charged at 2% p.a. over and above the existing rate in the event our credit rating requirements are not fulfilled. Further, the interest rate payable on the NCDs issued by our Company is 12.7 % p.a. An interest rate of 8% p.a. is payable on the rupee denominated bonds ("**RDBs**") issued by our Company.

2. **Security –** In terms of our borrowings where security needs to be created, we are typically required to:

   a) create security by way of hypothecation on our Company's present and future book-debts;

b) create a *pari passu* or first charge on hypothecation of loan receivables under the financing activity, including all benefits and rights incidental thereto;
c) create a second *pari passu* charge on existing and future movable fixed assets of our Company;
d) extend guarantees by our promoter and Company;
e) maintain an asset cover for the loan by way of charge over the loan assets/book debts at a minimum prescribed limit; and
f) execute a demand promissory note for a specified amount in the form approved by the relevant lender.

The details above are indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company.

3. **Repayment –** The cash credit capital facilities are typically repayable on demand. While certain term loans are subject to bullet repayment on maturity, the repayment period for most term loans typically range from 42 months to 60 months. The NCDs issued by our Company are repayable across a period of 60 months from the date of their allotment. Further, the RDBs issued by our Company may be redeemed by our Company not later than 108 months from date of issue, but only after 36 months from the date of issue.

4. **Pre-payment –** The loans availed by our Company typically have prepayment provisions which allows for pre-payment and re-scheduling of the outstanding loan amount on receiving prior approval from such concerned lender, subject to such prepayment penalties as may be decided by the lender at the time of such prepayment, or as laid down in the facility document, as the case may be. Outstanding amounts on the NCDs issued by our Company may also be voluntarily prepaid, subject to compliance with certain terms and conditions. Additionally, our Company is also required to mandatorily pre-pay 50% of the outstanding amount with respect to the NCDs, within five days of the Allotment of Equity Shares pursuant to the Offer.

5. **Penalty –** The loans availed by our Company contain provisions prescribing penalties for delayed payment or delay in submission of documents required under such facility documents, default in the repayment obligations of our Company, which typically range from 0.2% to 5% of the amounts involved. With respect to the NCDs issued by our Company, failure to pay outstanding amounts on due dates will attract additional interest at the rate of 3% p.a.

6. **Events of Default –** Borrowing arrangements entered into by our Company contain standard events of default, including:

   a) non-payment or default of any amounts due on the facility or loan obligation;
   b) breach of any representation, warranty or undertaking by our Company;
   c) proceedings relating to winding up/ liquidation/ bankruptcy being initiated against our Company;
   d) appointment of a receiver over any of our Company's properties;
   e) occurrence of any circumstances that would, in the opinion of the lender, imperil repayment of the loan or constitute a material adverse effect on our Company's ability to repay the facility amount;
   f) any substantial change in the constitution or management of our Company effected without the prior written consent of the lender; and
   g) default by our Company on amounts due to/ facilities extended by any other lender.

   The details above are indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by our Company. Our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the various binding documents and agreements entered into by our Company for the purpose of availing of loans, are not triggered.

7. **Restrictive Covenants**

   Many of our financing arrangements entail various restrictive conditions and covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities, including for:

a) alteration of our capital structure in any manner;
b) opening any current account with any other bank;
c) advancing or providing loans to group companies and promoters;
d) suspend the rental agreements for various properties and rental outlets;
e) undertaking any term loans or borrowings;
f) making changes to our management set up;
g) effecting any amalgamation, merger, reconstruction, takeover or consolidation;
h) amending our MoA and AoA;
i) concluding any fresh borrowing arrangements, either secured or unsecured, with any other lender;
j) effecting any change in ownership or shareholding pattern;
k) effecting any change in our actual and beneficial ownership or control;
l) creation of further charge, lien or encumbrance on assets hypothecated with our lenders;
m) effecting any material change in the management of our business or our operating structure;
n) undertaking new projects or implementing any scheme of expansion or acquire fixed assets;
o) investment by way of share capital in or lend or advance to or place deposits with any other entity (including our group companies and associate companies);
p) undertaking guarantee obligations on behalf of any other lender or any third party;
q) declaring dividends; and
r) effecting any repayment of loans and deposits and discharging other liabilities except those shown in the fund flow statements submitted to our lenders from time to time.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there is no outstanding (i) criminal litigation involving our Company, Subsidiaries Directors, Promoters or Group Companies; (ii) action by statutory or regulatory authorities involving our Company, Subsidiaries, Directors, Promoters or Group Companies; or (iii) claims involving our Company, Subsidiaries, Directors, Promoters or Group Companies for any direct or indirect tax liabilities.

Further, except as stated in this section, there are no (i) outstanding proceedings initiated for economic offences against our Company; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding this Prospectus; (iv) inquiry, inspection or investigation initiated or conducted under the Companies Act against our Company or Subsidiaries during the last five years immediately preceding the year of this Prospectus; (v) prosecutions filed (whether pending or not); fines imposed against or compounding of offences under the Companies Act by our Company and its Subsidiaries, in the last five years immediately preceding the year of this Prospectus; (vi) litigation or legal action, pending or taken, against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding this Prospectus; (vii) other pending litigations involving our Company, Subsidiaries, Directors, Promoters, Group Companies or any other person, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; or (viii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; and (ix) outstanding dues to small scale undertaking and other creditors; and (x) overdues or defaults to banks or financial institutions by our Company.

*Our Board, in its meeting held on September 12, 2016 has adopted a policy for identification of Group Companies, material creditors and material legal proceedings ("**Materiality Policy**"). Pursuant to the SEBI ICDR Regulations and the Materiality Policy, all pending litigation involving our Company, Subsidiaries, Directors, Promoters and Group Companies, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' for the purposes of disclosure in this Prospectus if: (i) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of either 1% of the profit after taxes or net worth of our Company as per the Restated Consolidated Financial Statements for the Fiscal Year ended March 31, 2017, whichever is lower or (ii) such pending proceedings involving the abovementioned persons which are 'material' in the event that the outcome of such litigation has a bearing on the business, operations or prospects or reputation of our Company.*

Further, in terms of the Materiality Policy, our Company considers creditors to whom the amount due exceeds 5% of our consolidated trade payables as per our Restated Consolidated Financial Statements, as 'material' creditors for the purpose of disclosures in this Prospectus.

It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company, Subsidiaries, Directors, Promoters or the Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of its Subsidiaries, Directors, Promoters or its Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

I. Litigation involving our Company

A. Outstanding criminal litigation involving our Company

Criminal proceedings against our Company

1. H.R. Chattaraj, Minimum Wages Inspector, Uluberia filed a criminal case (42c/2016) before the Additional Chief Judicial Magistrate, Uluberia, Howrah against our Company and others, including

Ravindra Kishore Sinha in his official capacity as a Director. The Minimum Wages Inspector, Uluberia alleged certain irregularities in compliance with provisions of the Contract Labour Act, including but not limited to, failure of the Company to maintain statutory register of workmen and to obtain the requisite license to operate as a contractor, in relation to the business undertaken by our Company at Uluberia, Howrah. The matter is currently pending.

2. Wealthmantra Infra Private Limited and Wealthmantra Properties Limited, through their director, Sanjeev Agrawal (the "**Complainant**") filed an application before the Chief Judicial Magistrate, Lucknow, seeking the registration of a first information report against the Company and three others, at the Vibhuti Khand police station, Lucknow with respect to offences under sections 323, 379, 504 and 506 of the Indian Penal Code, alleging theft of property amounting to ₹ 0.3 million by security guards provided by our Company. It was further alleged that upon refusal by the Complainant to clear the Company's dues in light of the alleged theft, the branch manager of our Company verbally abused and physically assaulted the Complainant, causing multiple injuries. Pursuant to an investigation, a first information report bearing no. 72/2016, dated February 28, 2016 was registered with the Vibhuti Khand police station, Lucknow. The matter is currently pending.

3. A first information report (245/2014), dated December 15, 2014, was registered with the Pithampur police station, Dhar against Vikram Malviya, the branch head of our Company, under section 20 of the PSARA and section 419 of the Indian Penal Code, alleging that our Company was operating its business without a valid license. Subsequently, a charge sheet was filed before the Judicial Magistrate First Class, Dhar, who, through an order dated March 26, 2015, took cognizance of the matter and issued a bailable warrant in this regard. Subsequently, Vikram Malviya approached the Indore Bench of the Madhya Pradesh High Court seeking that abovementioned proceedings be quashed. This matter is currently pending.

4. A first information report (1051/14), dated December 31, 2014, was registered with the Madho Nagar police station, Ujjain under section 419 of the Indian Penal Code, alleging that our Company was operating its business without a valid license. Pursuant to investigation, a final report in this matter was filed by the police on April 6, 2015, charging certain employees of our Company as guilty. The Company has initiated proceedings seeking quashing of the first information report. The matter is currently pending.

5. Pursuant to an inspection carried out at the premises of our client, PepsiCo India Holdings Private Limited, Biplab Majumdar, Contract Labour Inspector, filed 11 separate complaints dated August 5, 2015, before the Chief Judicial Magistrate, Howrah, alleging irregularities in compliance with certain provisions of the Contract Labour Act. Ravindra Kishore Sinha was also named as a party in two of these proceedings. The alleged violations included, inter alia, non-maintenance of muster roll and certain statutory registers by our Company, along with the failure to issue employment cards and service certificates to our employees, as mandated under the Contract Labour Act. These matters are currently pending.

6. The Labour Enforcement Officer (Central) filed a criminal case (882/14), dated September 9, 2014, before the Judicial Magistrate First Class, Koppal, against our Company, alleging irregularities in compliance with certain provisions of the Contract Labour Act. The alleged irregularities included, inter alia, non-maintenance of muster roll and certain statutory registers by our Company. The court, through its order dated July 2, 2016, has issued a non-bailable warrant against the accused. The matter is currently pending.

7. Pursuant to an inspection carried out at the premises of our Company in Pithampur, Madhya Pradesh on May 16, 2015, the Child Labour Inspector, Neemuch filed a charge sheet before the Chief Judicial Magistrate, Neemuch, against Vikram Singh Malviya, an ex-employee of our Company who was the branch manager of our branch in Pithampur, alleging non-compliance with section 12 of the Child Labour (Prohibition and Regulation) Act. It was alleged in the charge sheet that our Company failed to

display a notice containing an abstract of sections 3 and 14 of the Child Labour (Prohibition and Regulation) Act in the aforestated premises. This matter is currently pending.

8. Our Company received a summons dated January 31, 2017 issued by the Chief Judicial Magistrate, Midnapore, requiring our attendance to answer to a charge involving certain offences under the Contract Labour Act. The proceedings have been initiated pursuant to a complaint filed by the Labour Enforcement Officer (Central), Pashchim Medinapore (in his capacity as inspector) alleging irregularities in compliance with certain provisions of the Contract Labour Act. The alleged irregularities included, inter alia, not possessing a valid labour license, non-filing of certain statutory returns, and non-display of statutory notices mandated under the Contract Labour Act. This matter is currently pending.

Criminal proceedings initiated by our Company

1. Our Company filed a criminal case (1222 (c) of 2016) dated June 13, 2016, before the Chief Judicial Magistrate, Mujaffarpur, against MCS Infrastructure (Infratech) Private Limited and Mr Sunil Anand, the authorised representative of MCS Infrastructure (Infratech) Private Limited, under sections 138 and 141 of the Negotiable Instruments Act and sections 406, 409, 420 and 120(B) of the Indian Penal Code. In consideration of the services rendered by our Company, MCS Infrastructure (Infratech) Private Limited presented a cheque for ₹ 0.13 million towards its payment obligations to our Company, which was subsequently dishonoured. Our Company thereafter sought recovery of ₹ 0.13 million, along with interest. The matter is currently pending.

2. Our Company filed a criminal case (1939(c) of 2016) dated June 18, 2016, before the Chief Judicial Magistrate, Patna, against MCS Infrastructure (Infratech) Private Limited under sections 138 and 141 of Negotiable Instruments Act and sections 406, 409, 420 and 120(B) of the Indian Penal Code. In consideration of the services rendered by our Company, MCS Infrastructure (Infratech) Private Limited presented a cheque for ₹ 0.03 million towards its payment obligations to our Company, which was subsequently dishonoured. Our Company thereafter sought recovery of ₹ 0.03 million, along with interest. The matter is currently pending.

3. Our Company filed a criminal case (c-1, 1523 of 2016) dated June 28, 2016, before the Chief Judicial Magistrate, Hajipur, against Srivas Hyundai under sections 138 and 141 of Negotiable Instruments Act and sections 406, 409, 420 and 120(B) of the Indian Penal Code. In consideration of the services rendered by our Company, Srivas Hyundai had presented two cheques amounting to ₹ 0.07 million towards their payment obligations to our Company, which were subsequently dishonoured. Our Company thereafter sought recovery of ₹0.07 million, along with interest. The matter is currently pending.

4. Our Company filed a criminal case (1150 (c) of 2016) before the Chief Judicial Magistrate, Patna, against Surendra B. Ed. Teachers Training College and others under sections 138 and 141 of Negotiable Instruments Act and sections 406, 409, 420, 465 and 120(B) of the Indian Penal Code. In consideration of the services rendered by our Company, the Surendra B. Ed. Teachers Training College had presented a cheque for ₹ 0.04 million towards partial fulfilment of its payment obligations to our Company, which was subsequently dishonoured. Our Company sought recovery of ₹ 0.04 million, along with interest. The matter is currently pending.

5. Our Company filed a criminal case (2037(c) of 2016) dated June 25, 2016, before the Chief Judicial Magistrate, Patna, against Siddhi Refoils & Industries Private Limited and others under sections 406, 409, 420 and 120(B) of the Indian Penal Code, alleging failure to make payment of the outstanding amount of ₹ 0.12 million, which arose on account of security services rendered by our Company at the factory premises of the defendant company at Vaishali. The matter is currently pending.

6. Our Company filed a criminal case (6061/16) dated September 21, 2016, before the Additional Civil Judge (Senior Division) against Avinash EMI Projects Private Limited and others under section 138 of

Negotiable Instruments Act. In consideration of the services rendered by our Company, Avinash EMI Projects Private Limited had presented a cheque for ₹ 0.25 million towards partial fulfilment of its payment obligations to our Company, which was subsequently dishonoured. Additionally, our Company also sought recovery of two times the aforestated amount from the accused.. The matter is currently pending.

7. Our Company filed a criminal case (6085/16) dated September 21, 2016, before the Additional Chief Metropolitan Magistrate, Kanpur, against Avinash EMI Projects Private Limited and others under section 138 of Negotiable Instruments Act. In consideration of the services rendered by our Company, Avinash EMI Projects Private Limited had presented a cheque for ₹ 0.4 million towards partial fulfilment of its payment obligations to our Company, which was subsequently dishonoured. Additionally, our Company also sought recovery of two times the aforestated amount from the accused The matter is currently pending.

8. Our Company filed a criminal case (6086/16) dated September 21, 2016, before the Additional Chief Metropolitan Magistrate, Kanpur, against Avinash EMI Projects Private Limited and others under section 138 of Negotiable Instruments Act. In consideration of the services rendered by our Company, Avinash EMI Projects Private Limited had presented a cheque for ₹ 0.42 million towards partial fulfilment of its payment obligations to our Company, which was subsequently dishonoured. Additionally, our Company also sought recovery of two times the aforestated amount from the accused. The matter is currently pending.

9. Our Company filed a criminal case (3626/2016) dated November 17, 2016 before the Chief Judicial Magistrate, Patna against Shriram Translogistics Private Limited and others under sections 406 and 417 of the Indian Penal Code and sections 138 and 141 of the Negotiable Instruments Act. In consideration of services rendered by our Company, Shriram Translogistics Private Limited had presented a cheque for ₹ 0.04 million towards partial fulfilment of its payment obligations to our Company, which was subsequently dishonoured. The matter is currently pending.

B. Material outstanding litigation involving our Company

Civil proceedings initiated against our Company

1. Raju Nirudwar and others filed a writ petition (W.P. No. 4357 of 2014), dated August 5, 2014, before the Nagpur Bench of the High Court of Judicature at Bombay against the State Bank of India and others, including our Company, alleging that having appointed the petitioners as security guards at the State Bank of India's premises, our Company did not pay them the minimum wage, as mandated under the Maharashtra Guard Board Rules. Pursuant to its order dated September 30, 2015, the court directed our Company to not terminate the employment of the petitioners till the pendency of the writ petition. The matter is currently pending.

Civil proceedings initiated by our Company

As on the date of this Prospectus, there are no pending material civil proceedings initiated by our Company.

C. Pending action by statutory or regulatory authorities against our Company

Except as set forth in the sub- section "-*Outstanding criminal litigation involving our Company - Criminal proceedings against our Company*", on page 467, which includes certain proceedings initiated by regulatory authorities that are of a criminal nature and the proceedings disclosed below, there are no actions by statutory or regulatory authorities pending against our Company.

1. Our Company received a show cause notice dated February 24, 2016 from the Regional Labour Commissioner (Central), Ranchi, alleging irregularities in compliance with certain provisions of the Minimum Wages Act. The alleged non-compliance is in relation to the business undertaken by our

Company at the premises of CIP Kanke, Ranchi, wherein certain of our employees were allegedly paid wages lesser than as required under the Minimum Wages Act. The matter is currently pending.

2. Pursuant to an inspection carried out at the premises of our client, CUSB University, Patna on May 29, 2017, the Labour Enforcement Officer (Central), Patna – II, issued a notice to our Company highlighting irregularities in compliance with the Contract Labour Act and rules made thereunder. We were directed to rectify such irregularities and report compliance within the timeline stated therein, failing which legal action would be taken against our Company and its management. Subsequently, through its letter dated July 10, 2017, our Company intimated the Deputy Chief Labour Commissioner (Central), Patna of the status of compliance with the irregularities mentioned in the aforestated notice. This matter is currently pending.

3. Pursuant to an inspection carried out at the premises of our client, CUSB University, Patna on May 29, 2017, the Labour Enforcement Officer (Central), Patna – II, issued a notice to our Company highlighting irregularities in compliance with the Equal Remuneration Act, 1976 and rules made thereunder. We were directed to rectify such irregularities and report compliance within the timeline stated therein, failing which legal action would be taken against our Company and its management. Subsequently, through its letter dated July 10, 2017, our Company intimated the Deputy Chief Labour Commissioner (Central), Patna of the status of compliance with the irregularities mentioned in the aforestated notice. This matter is currently pending.

4. Pursuant to an inspection carried out at the premises of our client, CUSB University, Patna on May 29, 2017, the Labour Enforcement Officer (Central), Patna – II, issued a notice dated May 31, 2017 to our Company highlighting irregularities in compliance with the Minimum Wages Act, 1948 and rules made thereunder, including payment of wages below the prescribed minimum wages. We were directed to rectify the aforesaid irregularities and report compliance within a fortnight failing which legal action would be taken against our Company and its management. Subsequently, our Company filed a reply dated June 21, 2017 before the Deputy Chief Labour Commissioner (Central), Patna providing details regarding compliance with the irregularities stated in the notice. This matter is currently pending.

5. Our Company received a show cause notice dated April 19, 2017 issued by SEBI, in relation to nine instances in the period between 1988 and 2012, wherein our Company has issued and allotted equity shares to more than 49 persons (pursuant to private placements). These allotments were made on April 4, 1988, January 30, 1996, February 16, 1999, October 12, 2000, September 27, 2003, March 26, 2004, December 24, 2009 December 26, 2010 and February 15, 2012 (collectively the "**Stated Allotments**"). Under the Show Cause Notice, the Company has been asked to show cause as to why an inquiry should not be held against it under rule 4 of the Securities and Exchange Board of India (Procedure for Holding an Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 read with section 15-I of the Securities and Exchange Board of India Act, 1992, as amended ("**SEBI Act**") and penalty not be imposed under section 15 HB of the SEBI Act, as regards alleged non-compliance of the Stated Allotments with regulatory provisions governing public offerings in India.

   Our Company responded to the show cause notice by our letter dated May 10, 2017 requesting SEBI to refrain from initiating any adjudication proceedings, and to withdraw the show cause notice given the pendency of the settlement application filed by the Company in relation to the Stated Allotments.

   For details of the settlement application filed by our Company in relation to the Stated Allotments, see *"- Past cases of non-compliances and compounding - Compoundings"* on page 486.

D. Tax proceedings against our Company

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)
Direct tax		
Income Tax	4	12.04
Sub-total (A)	4	12.04
Indirect tax		
Service Tax	23	28.98
Sub-total (B)	23	28.98
Total (A+B)	27	41.02

E. *Proceedings initiated against our Company for economic offences*

As on the date of this Prospectus, there are no proceedings initiated against our Company for any economic offences.

F. *Default and non – payment of statutory dues*

Except as stated below, there are no instances of default or non-payment of statutory dues by our Company, our Subsidiaries or Group Companies.

Financial Year	Company	Type of Penalty	Amount (₹ million)
2011-12	Our Company	Penalty on service tax on late filling of service tax Return.	1.42
2012-13	Our Company	Service tax penalty	0.02
2013-14	Our Company	Compounding fees to RBI	0.89
2012-13	SIS Cash	Towards late filing of service tax return	0.02
2011-12	SIS Cash	Towards late filing of service tax return	0.01
2012-13	SMC	Penalty has been charged on ground of late filing of service tax return and TDS return respectively.	0.07
2011-12	SMC	Penalty on service tax on late filing of service tax return.	0.01

Our Company also has been delayed in payment of certain statutory dues, as set forth in "*Summary Financial Information – Observations made by our Auditors*" on page 82.

G. *Material frauds against our Company*

No material frauds have been committed against our Company during the past five years.

H. *Details of any inquiry, inspection or investigation initiated or conducted, or prosecutions filed against the Company under the Companies Act, 2013 or the Companies Act, 1956*

No inquiry, inspection or investigation have been initiated or conducted, nor have any prosecution been filed, against our Company under the Companies Act, 2013 or the Companies Act, 1956 during the past five years.

I. *Details of compounding of offences done in the last five years.*

For details of compounding of offences done by our Company, and the fines (if any) imposed thereunder, see *"- Past cases of non-compliances and compounding - Compoundings"* on page 486.

J. *Outstanding dues to small scale undertakings or any other creditors*

In terms of the Materiality Policy, as of March 31, 2017, our Company had one material creditor, to whom an amount of ₹ 59.24 million was outstanding.

Further, based on available information regarding status of suppliers as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as of March 31, 2017, our Company did not owe any dues to any small scale undertakings. With respect to other creditors, as of March 31, 2017, our Company owed outstanding dues of ₹ 125.23 million to a total of 421 creditors.

The details pertaining to amounts due towards such creditors, including material creditors, are available on the website of our Company at the following link: www.sisindia.com/creditors.

K. Outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act, 2013, show cause notices or legal notices against any other person or company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

L. Other material outstanding litigation involving our Company

As on the date of this Prospectus, there is no other material pending litigation involving our Company, determined to be material by our Board of Directors.

II. Litigation involving our Subsidiaries

A. Outstanding litigation involving our Subsidiaries

Criminal proceedings against our Subsidiaries

Dusters

1. Shankhnag Basumatary filed a first information report (177/2013), dated August 14, 2013, before the Cubbon Park police station, Bangalore City under section 304A of the Indian Penal Code, alleging that negligence on part of the company had caused the death of one of its employees. The deceased was cleaning an iron lamp attached to the ceiling, when it got detached and fell to the ground, thereby fatally injuring the deceased. It was alleged that the company had failed to take adequate care that such accident should not occur. Subsequently, a charge sheet, dated March 3, 2014, was filed in this matter against Brendon Pereira, an employee of Dusters, and two others. This matter is currently pending.

2. G Lawrence filed a criminal complaint (19994/12), dated December 12, 2012, before the IV Additional Chief Metropolitan Magistrate, Bangalore City (the "**Court**"), under sections 406 and 420 of the Indian Penal Code, against Jasmer Puri and Shamsher Puri, alleging that the accused, being his employers, misappropriated the provident fund contributions that were deducted from the complainant's salary, by not remitting such amounts to the provident fund office. Subsequently, Dusters approached the High Court of Karnataka seeking that the aforestated proceedings be quashed. Subsequently, the proceedings have been stayed pending disposal of the quashing petition by the High Court. This matter is currently pending.

SIS Terminix

1. Rajiv Jolly Khosla filed a criminal case (928/2013), before the ACMM, Patiala House Courts, New Delhi under section 2 of the Prevention of Insult to National Honour Act, against the proprietor of SIS

Terminix, alleging that SIS Terminix insulted the national flag by printing it and the Ashok Chakra on pamphlets along with the photo of a cockroach. This matter is currently pending.

Criminal proceedings by our Subsidiaries

As on the date of this Prospectus, there are no criminal proceedings initiated by our Subsidiaries.

B. Material outstanding litigation involving our Subsidiaries

Civil proceedings against our Subsidiaries

MSS Security

1. *United Voice v MSS Security*

   This is a classification dispute in the Fair Work Commission in relation to the Queensland aviation business catering duties. United Voice claims that employees should be paid at security guard level 3 rates rather than level 2 rates. A conference was held before Commissioner Spencer on 13 June 2017. MSS has been asked to supply further information on the duties performed by the guards and is currently in the process of complying with this.

2. *Tebble v MSS Security*

   Ms Tebble alleges that she was assaulted by a security officer when she attempted to enter premises at an entrance controlled by MSS Security personnel. Ms Tebble has commenced a claim in the Victorian Supreme Court in relation to the alleged assault. Ms Tebble has claimed general damages, costs and interest. External counsel managing the matter has advised that the quantum of damages may exceed AUD 125,000. This claim has been accepted by MSS Security's insurers and the MSS Security's exposure is limited to the insurance deductible.

3. *Monique Botfield v MSS Security & Anor*

   Following an unsuccessful attempt at conciliating a complaint in the Human Rights Commission, Ms Botfield (a prior MSS Security employee at Tamworth Airport) issued a Federal Court claim against MSS Security and a site supervisor on alleged sexual harassment grounds. Amongst other things, Ms Botfield claims that MSS is vicariously liable for actions of the site supervisor and seeks unspecified damages. The matter is currently in the process of court ordered mediation with an initial session taking place in early June and a subsequent session being scheduled for late July. It is anticipated the matter will be settled for less than AUD 100,000.

4. *Serco v MSS Security*

   An MSS Security employee who was working at a Serco site successfully claimed workers compensation for injuries allegedly sustained while working at the Serco site. Serco was the administrator of a NT detention centre, and MSS provided security services to Serco under contract. The employee has lodged a further claim for damages for personal injury against Serco. Serco has joined MSS to those proceedings and is seeking reimbursement from MSS for any liability under the indemnity provisions of its contract with MSS. MSS has denied liability and the matter is currently with MSS's insurers. If MSS is found liable, potential damages could be approximately AUD 550,000 based on the workers compensation assessment.

Civil proceedings by our Subsidiaries

As on the date of this Prospectus, there are no material civil proceedings initiated by our Subsidiaries.

C. Pending action by statutory or regulatory authorities against our Subsidiaries

SIS Terminix

Alleging that SIS Terminix had wrongfully terminated his employment, Amit Kumar, in his demand notice dated December 14, 2015 had sought reinstatement and payment of wages accrued since termination from SIS Terminix. Recognising this dispute as an industrial dispute, the Labour Department, Government of Haryana, through its order dated June 06, 2016 and in exercise of its powers under section 10 of the Industrial Disputes Act, 1947, referred the matter to Labour Court I, Gurgaon for adjudication. The matter is currently pending.

Andwills

The Liquidator has initiated action for recovery of possible undue preferences against the previous holding company of the Charter Security Protective Services Pty Limited, Charter Customer Services Pty Limited, and Charter NZ Limited. Andwills holds an insurance policy and an indemnity from the previous shareholders. This matter is currently pending.

D. Tax proceedings against our Subsidiaries

Dusters

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)
Direct tax		
Income Tax	10	30.66
Sub-total (A)	10	30.66
Indirect Tax		
Service Tax	5	164.73
Sub-total (B)	5	164.73
Total (A+B)	15	195.39

SMC

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)
Indirect tax		
Service Tax	1	2.65
Professional Tax	1	-
Total	2	2.65

E. Details of any inquiry, inspection or investigation initiated or conducted, or prosecutions filed against our Subsidiaries under the Companies Act, 2013 or the Companies Act, 1956

No inquiry, inspection or investigation have been initiated or conducted, nor have any prosecution been filed or fines imposed, against our Subsidiaries under the Companies Act, 2013 or the Companies Act, 1956 during the past five years.

F. Details of compounding of offences done in the last five years.

No compounding of offences has been done by our Subsidiaries under the Companies Act, 2013 or the Companies Act, 1956 in the last five years.

G. Other material outstanding litigation involving our Subsidiaries

There is no other material pending litigation involving our Subsidiaries, determined to be material by our Board of Directors.

III. Litigation involving our Directors

A. Outstanding criminal litigation involving our Directors

Criminal proceedings against our Directors

Except as described in *"Outstanding criminal litigation involving our Company"* on page 467, there are no outstanding criminal proceedings against any of our Directors.

Criminal proceedings by our Directors

As on date of this Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

B. Material outstanding litigation involving our Directors

Civil proceedings against our Directors

Except as described in *"- Material outstanding litigation involving our Promoters"* on page 477, there are no civil proceedings against any of our Directors.

Civil proceedings by our Directors

As on date of this Prospectus, there are no outstanding civil proceedings initiated by our Directors.

C. Tax proceedings against our Directors

Except as stated below, as on date of this Prospectus, there are no outstanding tax proceedings against our Directors:

1. Jayanta Kumar Basu, our Nominee Director had received a notice dated September 19, 2016 under section 143(2) of the Income Tax Act, 1961 from the Office of the Assistant Commissioner of Income Tax, Delhi, informing him that his return of income for assessment year 2015-16 had been selected for scrutiny. Jayanta Kumar Basu had submitted evidence in support of the said return of income on September 29, 2016 and a hearing was held on October 3, 2016. Thereafter, he received a notice dated June 9, 2017 from the Office of the Assistant Commissioner of Income Tax, New Delhi, informing him that the office had had a change of incumbent on May 30, 2017, and that the proceedings would continue from the stage at which it was left by the previous incumbent, in accordance with section 129 of the Income Tax Act, 1961. This notice also granted Jayanta Kumar Basu an opportunity to be reheard in relation to the proceedings on June 21, 2017, however on this date the matter was adjourned to July 6, 2017. On July 6, 2017, there was a discussion with the concerned officer regarding the actual information requirements, and the matter is now listed for July 13, 2017.

   Jayanta Kumar Basu, our Nominee Director had received a notice dated July 4, 2017 under section 143(2) of the Income Tax Act, 1961 from the Office of the Assistant Commissioner of Income Tax, Delhi, informing him that his return of income for assessment year 2016-17 had been selected for complete scrutiny, and was given the opportunity to produce evidence / information electronically in support of the said return of income on or before July 19, 2017. Jayanta Kumar Basu has filed his reply to this notice, and the matter has now been adjourned indefinitely.

2. Ravindra Kishore Sinha, our Chairman, Rituraj Kishore Sinha, our Managing Director, and Uday Singh, our whole-time Director have received show cause notices dated February 6, 2017 under section 2(35) read with sections 204 and 276B of the Income Tax Act from the Assistant Commissioner of Income Tax, Patna, directing them to show-cause as to why they should not each be treated as a 'principal officer' under section 2(35) of the Income Tax Act, in relation to an alleged default in payment of tax deducted at source (amounting to ₹ 0.43 million) by SIS Prosegur. These notices were served on Ravindra Kishore Sinha, Rituraj Kishore Sinha and Uday Singh in their capacity as the directors of SIS Prosegur. SIS Prosegur has filed a reply dated February 23, 2017 before the Principal Commissioner of Income Tax, Patna, seeking compounding of offences arising out of the default. These matters are currently pending.

D. Pending action by statutory or regulatory authorities against our Directors

As on the date of this Prospectus, there are no pending actions by statutory or regulatory authorities against our Directors.

E. Other material outstanding litigation involving our Directors

There is no other material pending litigation involving our Directors, determined to be material by our Board.

IV. Litigation involving our Promoters

A. Outstanding criminal litigation involving our Promoters

Criminal proceedings against our Promoters

Except as described in *"Outstanding criminal litigation involving our Company"* on page 467, there are no criminal proceedings against any of our Promoters.

Criminal proceedings by our Promoters

As on the date of this Prospectus, there are no pending criminal proceedings initiated by our Promoters.

B. Material outstanding litigation involving our Promoters

Civil proceedings against our Promoters

DK Gupta filed a civil suit (CS (OS) No. 2386), dated November 14, 2008, before the Delhi High Court, against Ravindra Kishore Sinha, Rituraj Sinha and Rita Kishore Sinha, seeking a decree for specific performance against the respondents to specifically perform the terms and conditions of an agreement executed by them for sale of certain properties owned by them. In the alternative, the plaintiff sought, *inter alia*, damages on the basis of difference between the stipulated purchase price and market price of the said property at the time of passing of decree, along with the amounts paid by the plaintiff and the interest accrued thereon at prevalent market rates. The matter is currently pending.

Civil proceedings by our Promoters

As on the date of this Prospectus, there are no outstanding material civil proceedings initiated by our Promoters.

C. Tax proceedings against our Promoters

Except as described in "*Litigation involving our Directors – Tax proceedings against our Directors"* on page 476, as on date of this Prospectus, there are no outstanding tax proceedings against our Promoters.

D. Pending action by statutory or regulatory authorities against our Promoters

As on the date of this Prospectus, there are no pending actions by statutory or regulatory authorities against our Promoters.

E. Other material outstanding litigation involving our Promoters

There is no other material pending litigation involving our Promoters, determined to be material by our Board of Directors.

F. Litigation or legal action by the Government of India or any statutory authority involving our promoters in last five years

Except as disclosed in "- *Past cases of non-compliances and compounding* - *Compoundings"* on page 486, there is no litigation or legal action pending or taken by a ministry, department of the government or statutory authority during the last five years preceding the date of this Prospectus against our Promoters and no direction has been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

V. Litigation involving our Group Companies

A. Outstanding criminal litigation involving our Group Companies

Criminal proceedings against our Group Companies

SIS Prosegur

1. Pradeep filed a first information report (658/15) before the Delhi Cantonment police station, in relation to an accident involving SIS Prosegur's vehicle. This matter is currently pending.

2. Shyam Singh filed a first information report (3/2016) before the Kalkaji police station, in relation to an accident involving SIS Prosegur's vehicle. This matter is currently pending.

3. Prem Patel filed a first information report (53/2016) before the Palasiya police station, in relation to an accident involving SIS Prosegur's vehicle. This matter is currently pending.

SIS Cash

1. Santosh Dwiwedi filed a first information report (247/13) before the Chatarpur police station, Bameen, in relation to an accident involving SIS Cash's vehicle. This matter is currently pending.

2. Arun Kumar filed a first information report (6/2014) before the Shahpur Kandli police station, Gurdaspur, in relation to an accident involving SIS Cash's vehicle. This matter is currently pending.

3. HDFC Bank, through its representative, filed a first information report (547/2014) before the Hera Street police station, Kolkata in relation to misappropriation of ₹ 40 million in the course of cash transportation by the employees of SIS Cash. This matter is currently pending.

4. Union Bank of India, through Kirti Singh, filed a first information report (15/11) before the Yamuna Bank police station alleging misappropriation of ₹ 8 million. Two employees of SIS Cash, in charge of handling the cash, have been named as suspects in the first information report. This matter is currently pending.

5. Daljeet Kaur filed a first information report (71/2015), in relation to an accident involving SIS Cash's vehicle. This matter is currently pending.

6. Sakhtivel filed a first information report dated May 5, 2017 before the Kottampatti police station, in relation to an accident involving a vehicle belonging to SIS Cash. This matter is currently pending.

7. Tamil Vannan filed a criminal complaint dated May 16, 2017 before the Tanjavur police station, in relation to an accident involving a vehicle belonging to SIS Cash, which allegedly caused two casualties. This matter is currently pending.

Criminal proceedings by our Group Companies

SIS Prosegur

1. SIS Prosegur filed a first information report (172/2015), dated March 21, 2015, before the Shivpuri Kotwali police station, against Deepak Rajak and Bharat Bambariya, in relation to misappropriation of ₹ 1.6 million by the accused during loading of ATMs in Shivpuri. This matter is currently pending.

2. SIS Prosegur filed a first information report (47/2015), dated April 3, 2015, before the Gulbarga police station, against five persons, in relation to misappropriation of cash amounting to ₹ 12 million. This matter is currently pending.

3. SIS Prosegur filed a first information report (135/2015), dated April 18, 2015, before the Rahuri police station, in relation to the theft of ₹ 1.89 million from the ATM. This matter is currently pending.

4. SIS Prosegur filed a first information report (62/2015), dated April 18, 2015, before the Sonai police station, in relation to the theft of 0.27 million from the ATM. This matter is currently pending.

5. SIS Prosegur filed a first information report (197295/2015), dated April 21, 2015, before the Antop Hill police station, in relation an incident wherein a bag containing ₹ 0.2 million was snatched by a group of three people from SIS Prosegur's employee in transit. This matter is currently pending.

6. SIS Prosegur filed a first information report (157/2015), dated July 16, 2015, before the Ahmedpur police station against four persons, in relation to the misappropriation of cash amounting to ₹ 3.97 million. This matter is currently pending.

7. SIS Prosegur filed a first information report (30/2015), dated July 29, 2015, before the Gategaon police station, in relation to the misappropriation of cash amounting to ₹ 1.30 million. This matter is currently pending.

8. SIS Prosegur filed a first information report (0499/2015), dated August 10, 2015, before the Roop Nagar police station in relation to an incident wherein a bag containing ₹ 1.16 million was snatched by strangers from SIS Prosegur's employee in transit. This matter is currently pending.

9. SIS Prosegur filed a first information report (487/15), dated August 22, 2015, before the Phoolbagh police station against Jaibeer Singh and Rakesh Kumar, in relation to theft of cash amounting to ₹ 6.37 million from 10 ATMs. This matter is currently pending.

10. SIS Prosegur filed a first information report (597/2015), dated September 2, 2015, before the Jubilee Hills police station , in relation to the misappropriation of cash amounting to ₹ 0.25 million. This matter is currently pending.

11. SIS Prosegur filed a first information report before the Greater Kailash – I police station against Soorya Bali Tripathi and Jay Prakash Singh Tomar, in relation to the misappropriation of cash amounting to ₹ 1.09 million. This matter is currently pending.

12. SIS Prosegur filed a first information report (14/2015), dated February 1, 2016, before the Dashashmer police station against Dheeraj Singh and Manish Kumar Singh, in relation to theft of cash amounting to ₹ 1.75 million from 5 ATMs. This matter is currently pending.

13. SIS Prosegur filed a first information report (30/2016), dated January 28, 2016, before the Garhi police station against Rohit Pandya, in relation to theft of cash from an ATM. This matter is currently pending.

14. SIS Prosegur filed a first information report (15/2016), dated January 28, 2016, before the Arthuna police station against Rohit Pandya, in relation to the theft of cash from an ATM. This matter is currently pending.

15. SIS Prosegur filed a first information report (I-90/2016), dated April 27, 2016, before the Ulhasnagar police station, in relation to the misappropriation of cash amounting to ₹ 9.11 million. This matter is currently pending.

16. SIS Prosegur filed a first information report (332/2016), dated June 2, 2016, before the MIG Colony police station, Indore against Rahul Barua and Prashant Raghuvanshi, in relation to the misappropriation of cash amounting to ₹ 0.73 million. This matter is currently pending.

17. SIS Prosegur filed a first information report (154/2016), dated May 29, 2016, before the Ahmednagar Taluka police station, against Sagar Salke, in relation to the misappropriation of cash amounting to ₹ 2.75 million. This matter is currently pending.

18. SIS Prosegur filed a first information report (269/2016), dated May 30, 2016, before the Gingee Taluk police station, against Udayanan, in relation to the misappropriation of cash amounting to ₹14.13 million. This matter is currently pending.

19. SIS Prosegur filed a first information report (339/16), dated June 21, 2016, before the Malwani police station, against four persons, in relation to the misappropriation of cash amounting to ₹1.86 million. This matter is currently pending.

20. SIS Prosegur filed a first information report (472/2016), dated July 8, 2016, before the Udumalpet police station, against Mohammed Khaleeq and Saravana Gokul, in relation to the misappropriation of cash amounting to ₹ 0.6 million. This matter is currently pending.

21. SIS Prosegur filed a first information report (335/2016), dated August 11, 2016, before the Conoor Town police station, against Prabhu and Purshottam, in relation to the misappropriation of cash amounting to ₹ 3.56 million. This matter is currently pending.

22. SIS Prosegur filed a first information report (3/2017), dated February 9, 2017, before the DCB Villupurum, against S. Prabhu and Kathiravan, in relation to the misappropriation of cash amounting to ₹ 5.13 million. This matter is currently pending.

23. SIS Prosegur filed a first information report (27/ 2017), dated February 8, 2017 before the Miraj City police station, against certain unknown persons in relation to the theft of cash amounting to ₹ 3 million. This matter is currently pending.

24. SIS Prosegur filed two first information reports (21/ 2017 and 36/ 2017), dated February 14, 2017 before the Vijayanagaram I Town and Denkada police stations, against Santhosh Kumar Gowripatnam, in relation to the theft of cash amounting to ₹ 4.67 million. These matters are currently pending.

25. SIS Prosegur filed a first information report (53/ 2017), dated March 15, 2017 before the Vanrai police station, against certain unknown persons in relation to the theft of cash amounting to ₹ 2.87 million. This matter is currently pending.

26. SIS Prosegur filed a criminal complaint dated May 3, 2017 before the Korattur police station, against Naveen and Karthik in relation to the theft of cash amounting to ₹ 2.24 million. This matter is currently pending.

27. SIS Prosegur filed a first information report (159/ 2017), dated May 12, 2017 before the Kankandy Town police station, against Karibasava, Parushrma, Poovanna and Basappa in relation to the theft of cash amounting to ₹ 75 million. This matter is currently pending.

28. SIS Prosegur filed a first information report (323/ 2017), dated May 21, 2017 before the Kotwali Vidisha police station, against Devi Singh Kuswaha and Ajay Mahwar in relation to the theft of cash amounting to ₹ 23.86 million. This matter is currently pending.

29. SIS Prosegur filed a first information report (230/ 2017) dated July 12, 2017 before the Dhantoli police station against certain unknown persons in relation to theft amounting to ₹ 1.4 million. This matter is currently pending.

30. SIS Prosegur filed a first information report dated July 14, 2017 before the District Crime Branch, Thanjavur, against Sakthivel, Satish, Manivel and Rajarathinam in relation to the theft of cash amounting to ₹ 8.37 million. This matter is currently pending.

SIS Cash

1. SIS Cash filed a first information report (149/12), dated May 22, 2012, before the Okhla Industrial Area police station against Dilip Singh, in relation to theft of cash amounting to ₹ 1.28 million provided to the accused for replenishing ATMs. This matter is currently pending.

2. SIS Cash filed a first information report, dated January 1, 2014, before the Sadar police station, Mujaffarpur, against Amrendra Kumar Singh, Suraj Singh and Kunal Ranjan, in relation to theft of cash amounting to ₹ 26.07 million provided to the accused for replenishing ATMs. This matter is currently pending.

3. SIS Cash filed a first information report (20/14), dated January 19, 2014, before the Dumra police station, Sitamarhi, against Vikash Kumar and Mayank Kumar, in relation to theft of cash amounting to ₹ 10.83 million provided to the accused for replenishing ATMs. This matter is currently pending.

4. SIS Cash filed a first information report (20/14), dated January 19, 2014, before the Shivhar Town police station, against Vikash Kumar and Mayank Kumar, in relation to theft of cash amounting to ₹ 10 million provided to the accused for replenishing ATMs. This matter is currently pending.

5. SIS Cash filed a first information report (100/2014), dated March 27, 2014, before the Mareddapally police station, Hyderabad, against KL Reddy, Narsimullu and MP Pawan, in relation to theft of cash amounting to ₹ 6.59 million provided to the accused for replenishing ATMs. This matter is currently pending.

6. SIS Cash filed three first information reports dated May 28, 2014 and May 29, 2014, before the Sadiq, Jatto and Bajakhama police stations, in relation to theft of cash amounting to ₹ 1.89 million. This matter is currently pending.

7. SIS Cash filed a first information report (516/14), dated June 21, 2014, before the MP Nagar police station, against Abdul Sajid, in relation to misappropriation of cash amounting to ₹ 0.57 million from company accounts. This matter is currently pending.

8. SIS Cash filed a first information report (1185/14), dated July 1, 2014, before the Mylapore police station, against Raj Shekhar, M Anandan, M Naresh Kumar and A Bilal, in relation to theft of cash amounting to ₹ 24.35million provided to the accused for replenishing ATMs. This matter is currently pending.

9. SIS Cash filed a first information report (346/2014), dated September 14, 2014, before the City Tarantaran police station, against Kawaljit Singh and Baljinder Singh, in relation to theft of cash amounting to ₹ 2.63 million provided to the accused for replenishing ATMs. This matter is currently pending.

10. SIS Cash filed a first information report (547/2014), dated September 20, 2014, before the Hare Street police station, Kolkata, against Sintu Roy and SK Nazir Hossain, in relation to theft of cash amounting to ₹ 40 million provided to the accused for replenishing ATMs. This matter is currently pending.

11. SIS Cash filed a first information report (578/14), dated October 16, 2014, before the Madhav Nagar police station, Katni, against Ramanauj Singh Chandel and Santosh Singh, in relation to theft of cash amounting to ₹ 2.48 million provided to the accused for replenishing ATMs. This matter is currently pending.

12. SIS Cash filed a first information report (527/2014), dated October 22, 2014, before the Rangiya police station, Kamrup, against Gopen Thakuria and Pranab Barman, in relation to theft of cash amounting to ₹ 0.49 million provided to the accused for replenishing ATMs. This matter is currently pending.

13. SIS Cash filed a first information report (304/14), dated October 25, 2014, before the Bicchiya police station, Mandla, in relation to theft of cash amounting to ₹ 2.93 million during replenishing of ATMs. This matter is currently pending.

14. SIS Cash filed a first information report (373/14) dated November 14, 2014 before the Badnara police station, Katni, against Ashish Chaturvedi and Krishna Singh, in relation to theft of cash amounting to ₹ 0.5 million provided to the accused for replenishing ATMs. This matter is currently pending.

15. SIS Cash filed a first information report (5/2015), dated April 4, 2015, before the District Criminal Branch, Dharmapuri, against three persons, in relation to theft of cash amounting to ₹ 4.87 million provided to the accused for replenishing ATMs. This matter is currently pending.

16. SIS Cash filed a first information report (2015 RKP 03), dated March 10, 2015, before the RK Pure police station, Gomati, Udaipur, against four persons, in relation to theft of cash amounting to ₹ 13 million provided to the accused for replenishing ATMs. This matter is currently pending.

17. SIS Cash filed a first information report (60/2015), dated April 24, 2015, before the Rupjhar police station, Balaghat, against four persons, in relation to theft of cash amounting to ₹ 2.4 million provided to the accused for replenishing ATMs. This matter is currently pending.

18. SIS Cash filed a first information report (216/15), dated May 12, 2014, before the Kotwali police station, Barmer, against Gopal Singh and Sudama Ram, in relation to theft of cash amounting to ₹ 3.4 million provided to the accused for replenishing ATMs. This matter is currently pending.

19. SIS Cash filed two first information reports (I-9/2015 and I-55/2015), dated April 14, 2014 and April 18, 2015 respectively, before the Antarsumba and Kathlal police stations, Nadlad, against Brijesh Parmar and Kamlesh Pratap Bhai, in relation to theft of cash amounting to ₹ 1.8 million provided to the accused for replenishing ATMs. This matter is currently pending.

20. SIS Cash filed a first information report (239/14), dated May 13, 2015, before the Kishanganj police station, against four persons, in relation to theft of cash amounting to ₹ 0.3 million provided to the accused for replenishing ATMs. This matter is currently pending.

21. SIS Cash filed a first information report (453/2015), dated June 11, 2015, before the Nagloi police station, against Hemant Jha and Rakesh Kumar, in relation to theft of cash amounting to ₹ 1.21 million provided to the accused for replenishing ATMs. This matter is currently pending.

22. SIS Cash filed a first information report, dated June 25, 2015, before the Kanchanpur police station, Tripura, against Sanjay Debnath and Jahar Debbarma, in relation to theft of cash amounting to ₹ 0.97 million provided to the accused for replenishing ATMs. This matter is currently pending.

23. SIS Cash filed a first information report (439/15), dated July 31, 2015, before the MIDC police station, Mumbai, in relation to theft of cash amounting to ₹ 1.25 million provided to the accused for replenishing ATMs. This matter is currently pending.

24. SIS Cash filed a first information report (260/2015), dated August 5, 2015, before the Civil Lines police station, Amritsar, against Sushant Kumar and Gurpreet Singh, in relation to theft of cash amounting to ₹ 1.7 million provided to the accused for replenishing ATMs. This matter is currently pending.

25. SIS Cash filed a first information report (1179/2015), dated September 12, 2015, before the Firozabad police station, against Dharmvir Singh and Aman Kumar, in relation to theft of cash amounting to ₹ 2.14 million provided to the accused for replenishing ATMs. This matter is currently pending.

26. SIS Cash filed a first information report (395/15), dated September 18, 2015, before the Jagiroad police station, Morigaon, against Ranju Mahanta and Dibakar Saikia, in relation to theft of cash amounting to ₹ 6.5 million provided to the accused for replenishing ATMs. This matter is currently pending.

27. SIS Cash filed three first information reports (465/15, 1566/15 and 279/15), dated September 23, 2015, before the Malad, Amboli and Manpada police stations, Mumbai, against Bikas Shivekar and Ashok Verma, in relation to theft of cash amounting to ₹ 7.26 million provided to the accused for replenishing ATMs. This matter is currently pending.

28. SIS Cash filed a first information report (225/15), dated September 23, 2015, before the East Dimapur police station, against three persons, in relation to theft of cash amounting to ₹ 14.49 million provided to the accused for replenishing ATMs. This matter is currently pending.

29. SIS Cash filed a first information report (459/2015), dated October 30, 2015, before the Jorhat Teak police station, against four persons, in relation to theft of cash amounting to ₹ 5.26 million provided to the accused for replenishing ATMs. This matter is currently pending.

30. SIS Cash filed a first information report (308/2015), dated December 11, 2015, before the East Dimapur police station, against Robin Sunar and Jafat Suni, in relation to theft of cash amounting to ₹ 1.04 million provided to the accused for replenishing ATMs. This matter is currently pending.

31. SIS Cash filed a first information report (1620/15), dated December 26, 2015, before the Shalimar Bagh police station, against Anil Kumar and Raj Kumar Singh, in relation to theft of cash amounting to ₹ 17.37 million provided to the accused for replenishing ATMs. This matter is currently pending.

32. SIS Cash filed a first information report (123/16), dated March 9, 2016, before the Banswara police station, against Dipak Joshi and Parmer Alfesh, in relation to theft of cash amounting to ₹ 0.76 million provided to the accused for replenishing ATMs. This matter is currently pending.

33. SIS Cash filed a first information report (1519/2015), dated December 29, 2015, before the Tinsukia police station, against Dhruvjyoti Halay, in relation to theft of cash amounting to ₹ 0.5 million provided to the accused for replenishing ATMs. This matter is currently pending.

34. SIS Cash filed a first information report (2/2016), dated January 10, 2016, before the New Tehri police station, against Amit Topwal, in relation to theft of cash amounting to ₹ 3.00 million provided to the accused for replenishing ATMs. This matter is currently pending.

35. SIS Cash filed a first information report (6/16/406), dated January 6, 2016, before the Sitarganj police station, against Narender Singh Bisht, in relation to theft of cash amounting to ₹ 0.74 million provided to the accused for replenishing ATMs. This matter is currently pending.

36. SIS Cash filed a first information report (14(4)/2016), dated April 2, 2016, before the Rangpo police station, against Saroj Pradhan, in relation to theft of cash amounting to ₹ 1.96 million provided to the accused for replenishing ATMs. This matter is currently pending.

37. SIS Cash filed a first information report (38/2016), dated February 12, 2016, before the Bhawani Patna Town police station, against Nandi Nayak and Bhupendra Sethi, in relation to theft of cash amounting to ₹ 0.69 million provided to the accused for replenishing ATMs. This matter is currently pending.

38. SIS Cash filed a first information report (216/2016), dated March 29, 2016, before the Karimganj police station, against Shambhu Biswas, in relation to theft of cash amounting to ₹ 3.03 million provided to the accused for replenishing ATMs. This matter is currently pending.

39. SIS Cash filed a first information report (93/2016), dated April 2, 2016, before the Itanagar police station, against Babul Das, in relation to theft of cash amounting to ₹ 4.32 million provided to the accused for replenishing ATMs. This matter is currently pending.

40. SIS Cash filed a first information report (164/2016), dated April 2, 2016, before the Jharsugoda police station, against Sisra Kumar Jaypuriya, in relation to theft of cash amounting to ₹ 0.99 million provided to the accused for replenishing ATMs. This matter is currently pending.

41. SIS Cash filed a first information report (249/2016), dated April 6, 2016, before the Katihar Town police station, against Jitendra Kumar Yadav, in relation to theft of cash amounting to ₹ 0.45 million provided to the accused for replenishing ATMs. This matter is currently pending.

42. SIS Cash filed a first information report (31/2016), dated April 14, 2016, before the Sadar Dehradun police station, against Mohit Pal, in relation to theft of cash amounting to ₹ 0.68 million provided to the accused for replenishing ATMs. This matter is currently pending.

43. SIS Cash filed a first information report (102/2016), dated May 22, 2016, before the Mohiuddin Nagar police station, against Sanjay Lal Tapeswar, in relation to theft of cash amounting to ₹ 0.8 million provided to the accused for replenishing ATMs. This matter is currently pending.

44. SIS Cash filed a first information report (287/2016), dated July 21, 2016, before the Sadar police station, against Sagar Verma and Bhavnath Basta, in relation to theft of cash amounting to ₹ 1.06 million provided to the accused for replenishing ATMs. This matter is currently pending.

45. SIS Cash filed a first information report (16/2016), dated August 16, 2016, before the Central Secretariat police station, in relation to theft of cash amounting to ₹ 5.03 million provided to the accused for replenishing ATMs. This matter is currently pending.

46. SIS Cash filed a first information report (171/2016), dated October 10, 2016, before the Rupnagar police station, against Sham Bahadur, in relation to theft of cash amounting to ₹ 1.75 million provided to the accused for replenishing ATMs. This matter is currently pending.

47. SIS Cash filed a first information report (1474/16), dated July 23, 2016, before the Barpeta police station, against Himangshu Das Baruah, in relation to theft of cash amounting to ₹ 0.52 million provided to the accused for replenishing ATMs. This matter is currently pending.

48. SIS Cash filed a first information report (212(11)/2016), dated November 11, 2016, before the Tura police station, against Rupan Das, in relation to theft of cash amounting to ₹ 2.41 million provided to the accused for replenishing ATMs. This matter is currently pending.

49. SIS Cash filed a first information report dated November 27, 2016, before the Rayagad police station, against Rupan Das, in relation to theft of cash amounting to ₹ 4.24 million provided to the accused for replenishing ATMs. This matter is currently pending.

50. SIS Cash filed a first information report dated November 23, 2016, before the Jagraon police station, against Hardeep Singh, in relation to theft of cash amounting to ₹ 1.85 million provided to the accused for replenishing ATMs. This matter is currently pending.

51. SIS Cash filed a first information report (53/2017), before the Talkatora police station, against Salim, Punkaj Maurya and Indrajit Tiwari, in relation to theft of cash amounting to ₹ 1.31 million provided to the accused for replenishing ATMs. This matter is currently pending.

52. SIS Cash filed a first information report (27/2017) dated February 14, 2017, before the Barahia police station, against Rakesh Kumar, in relation to theft of cash amounting to ₹ 3 million provided to the accused for replenishing ATMs. This matter is currently pending.

53. SIS Cash filed a first information report (443/2017) dated May 3, 2017, before the Sector 40 Gurgaon police station, against Karuna Nidhan, in relation to theft of cash amounting to ₹ 2.42 million provided to the accused for replenishing ATMs. This matter is currently pending.

54. SIS Cash filed a first information report (49/ 2017) dated July 29, 2017, before the Bodhghat police station, against Suresh Singh, in relation to theft of cash amounting to ₹ 3.99 million provided to the accused for replenishing ATMs. This matter is currently pending.

B. Material outstanding litigation involving our Group Companies

Civil proceedings against our Group Companies

SIS Cash

1. Shree Ram filed a case (213/2012) before the Presiding Officer, Labour Court, Kakardooma, Delhi against SIS Cash, challenging his removal from service and sought reinstatement and payment of due wages and consequential benefits accrued since his termination. The matter is currently pending.

2. Nag Mani Singh filed a case (L.I.R./512/2015) before the Presiding Officer, Labour Court, Kakardooma, Delhi against SIS Cash, challenging his removal from service and sought reinstatement and payment of due wages and consequential benefits accrued since his termination. The matter is currently pending.

Civil proceedings by our Group Companies

As on the date of this Prospectus, there are no material civil proceedings initiated by our Group Companies.

C. Tax proceedings against our Group Companies

SIS Prosegur

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)
Direct tax		
Income Tax	2	0.43
Total	2	0.43

SIS Cash

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)
Indirect tax		
Service Tax	1	7.32
Total	1	7.32

D. Pending action by statutory or regulatory authorities against our Group Companies

SIS Prosegur

Pursuant to multiple inspections carried out on the premises of SIS Prosegur during the months of December 2016, January 2017 and February 2017, the Employee State Insurance Corporation of India issued an inspection cum observation report dated February 21, 2017 observing that a total contribution of ₹ 0.44 million is due and payable by SIS Prosegur, in light of unaccounted wages amounting to ₹ 7.06 million. Subsequently, through a notice dated March 15, 2017, the total payable contribution was revised to ₹ 0.52 million, on account of certain additional unaccounted wages. Subsequently, through its notice dated July 6, 2017, the Regional Director, Employee State Insurance Corporation, Chennai directed SIS Prosegur to show cause as to why assessment should not be made in the manner stated above, in relation to determination and recovery of payable contributions. This matter is currently pending.

E. Other material outstanding litigation involving our Group Companies

There is no other material pending litigation involving our Group Companies, determined to be material by our Board of Directors.

VI. Past cases of non-compliances and compounding

Non-compliances

There have been certain discrepancies in relation to statutory filings required to be made by us with the RoC under applicable laws as well as certain other non-compliances incurred by us under Indian company law:

S. No.	Relevant corporate action and date (if applicable)	Particulars
1.	Allotments of equity shares on March 26, 2004, June 10, 2004, March 31, 2006, June 22, 2007, August 9, 2007, December 24, 2009, December 16, 2010, February 15, 2012 and April 23, 2013	Non-compliance with rules 6 and 7 of the Unlisted Public Companies (Preferential Allotment) Rules, 2003 ("**2003 Preferential Allotment Rules**"), namely: (i) in respect of all these allotments, certificates from the statutory auditors/ independent company secretary confirming compliance with the 2003 Preferential Allotment Rules were not tabled before the meetings of our shareholders approving the issuances, and (ii) in certain cases, the disclosures required under the 2003 Preferential Allotment Rules in the explanatory statement to the

S. No.	Relevant corporate action and date (if applicable)	Particulars
		notice convening the meeting of the shareholders to approve these issuances may not have been made.
2.	Allotment of equity shares on October 25, 2005	In the return of allotment filed with the RoC for this allotment, details of allotment were inadvertently mentioned both as an allotment 'for cash' and in lieu of 'bonus'.
3.	Allotment of equity shares on December 29, 2007	In the return of allotment filed with the RoC, details of the amount received pursuant to the allotment not accurately recorded due to an inadvertent error.
4.	Allotment of equity shares on December 24, 2009	In the return of allotment filed with the RoC, the following details have been incorrectly recorded, on account of inadvertent errors: (i) amount received as share application money; and (ii) date of shareholders' approval for the issuance.
5.	Allotment of equity shares on April 5, 2013	In the return of allotment filed with the RoC, this allotment was inadvertently mentioned as having been made for cash consideration. However, no amounts were paid/ payable for this allotment.
6.	Deletion of words 'and abroad' in Clauses III A (ii) and III A (v) of the initial Memorandum of Association of our Company.	The relevant resolutions or filings required to be made for this change may not have been effected by the Company. See *"Risk Factors - Some of our corporate records are not traceable."* on page 51.
7.	Deletion of Clause (III) A (iv) of the initial Memorandum of Association of our Company, which allowed our Company to: "*deal with arms and ammunitions, clothes and other goods which are necessary and required for the industrial and other security purposes within the state of Bihar and anywhere in India or elsewhere*".	The relevant resolutions or filings required to be made for this change may not have been effected by the Company. See *"Risk Factors - Some of our corporate records are not traceable."* on page 51.
8.	Increase in our authorized capital from ₹ 26,000,000 to ₹100,000,000 on March 26, 2004.	While the increase in authorized capital (through Form 5) filed with the RoC records that the increase was made in denomination of ₹ 10 each, the resolution for such increase in authorized capital (annexed to Form 23), states that the increase in the authorized capital was made in the denomination of ₹ 100 each.
9.	Increase in our authorized capital from ₹ 100,000,000 to ₹ 280,000,000 on September 29, 2007	In the form (Form 5) filed for recording such increase in capital with the RoC, we incorrectly recorded our increased authorized capital (*i.e.* ₹ 280,000,000) as the increase to our existing capital on account of an inadvertent error.

Compoundings

1. In respect of issuance of our Equity Shares and CCPS to certain non-resident shareholders, (i) we were delayed in filing details of inward remittance received by us as share application money in respect of allotments of Equity Shares to Thomas Berglund and Hakan Winberg on July 22, 2007 and August 9, 2007, respectively and in respect of an allotment of CCPS to D.E. Shaw on December 29, 2007, and (ii) we were delayed in the filing of Form FC-GPR with the RBI in respect of these allotments. For further details in relation to these allotments, see "*Capital Structure – Notes to Capital Structure*" on page 101.

   Additionally, while the CCPs were originally slated to convert to Equity Shares on July 31, 2010, we requested an extension for the time period for such conversion. Pursuant to letters dated December 6, 2012, December 20, 2012 and April 2, 2013, the RBI extended the conversion period for the CCPs till April 2013, subject to compounding of the aforementioned violations.

Subsequently, by an order dated April 25, 2013, these violations were compounded by the RBI in lieu of a sum of ₹875,000 towards settlement of the violations.

2. We have, on nine instances in the period between 1988 and 2012, issued and allotted equity shares to more than 49 persons (pursuant to private placements). These allotments were made on April 4, 1988, January 30, 1996, February 16, 1999, October 12, 2000, September 27, 2003, March 26, 2004, December 24, 2009 December 26, 2010 and February 15, 2012 (collectively the "**Stated Allotments**"). By virtue of an amendment to section 67 of the Companies Act, 1956 in 2000, any allotment of shares to persons in excess of 49 in number was deemed to a public offering, and accordingly, required to comply with provisions governing public offerings under the Companies Act, 1956, including, inter alia, issuance and registration of a prospectus. In relation to the Stated Allotments, we have e-filed a compounding application on September 22, 2016 with the RoC, stating that (a) the non-compliances with the Companies Act, 1956 were unintentional and inadvertent, and (b) equity shares were allotted primarily to our employees through the Stated Allotments with the intent of providing them with a meaningful engagement with our Company and granting them equity interests in our Company, requesting the RoC to compound the offences under section 441 of the Companies Act, 2013. Subsequently, by an order dated December 23, 2016, these violations were compounded by the National Company Law Tribunal (Kolkata Bench), Kolkata, upon imposition of fines of ₹ 0.5 million and ₹ 0.25 million each on our Company and Ravindra Kishore Sinha, our Chairman, respectively. The fines have since been paid.

   Further, we also filed an application dated November 15, 2016 with SEBI under regulation 3(1) of the Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014, as amended ("**SEBI Settlement Regulations**") for settlement of any violations in relation to the Stated Allotments. Through this application, our Company and its Directors voluntarily submitted themselves to the settlement procedure under the SEBI Settlement Regulations, and agreed to abide by settlement terms as mutually agreed with SEBI. We, in the aforestated application, requested SEBI to take a lenient view while imposing settlement terms on various grounds, including that (a) the Stated Allotments were made primarily to employees; (b) there were no mala fide attempts by our Company to indiscriminately raise funds through the Stated Allotments; (c) the Exit Offer had been provided to all Eligible Shareholders; (d) our Company had voluntarily disclosed the Stated Allotments to SEBI up-front, as well as made extensive disclosures in the Draft Red Herring Prospectus; and (d) suitable compounding proceedings had been initiated by our Company as regards the Stated Allotments with the RoC. SEBI, through its letter dated March 7, 2017, returned the aforestated settlement application, citing certain technical deficiencies present therein, and directed that a rectified application may be filed, within a period of 15 days from the receipt of the letter. Subsequently, we filed a revised settlement application dated March 15, 2017, accounting for the observations received from SEBI.

   During the pendency of the settlement application, we received a show cause notice dated April 19, 2017 issued by SEBI, pursuant to which our Company was asked to show cause as to why an inquiry should not be held against it under rule 4 of the Securities and Exchange Board of India (Procedure for Holding an Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 read with section 15-I of the SEBI Act, and a penalty not be imposed under section 15HB of the SEBI Act, as regards alleged non-compliance of the Stated Allotments with regulatory provisions governing public offerings in India. We have responded to the show cause notice by our letter dated May 10, 2017, requesting SEBI to refrain from initiating any adjudication proceedings, and to withdraw the show cause notice given the pendency of the settlement application.
   The settlement application is currently pending.

3. We had e-filed a compounding application on September 21, 2016, with the RoC (also enclosing a compounding petition to Regional Director, Eastern Region, Kolkata), for compounding certain non-compliances with certain conditions of the Unlisted Public Companies (Preferential Allotment) Rules, 2003 in relation to certain allotments of Equity Shares in the past. Subsequently,

by an order dated June 16, 2017, these violations were compounded by the Regional Director, Eastern Region, Kolkata, upon imposition of compounding fees of ₹ 0.3 million and ₹ 0.2 million each on our Company and Ravindra Kishore Sinha, our Chairman, respectively. The fines have since been paid.

4. We did not intimate the FIPB, within the prescribed timeline, of the grant of 20,000 stock options in our Company, to Michael John McKinnon, employee of MSS, one of our overseas Subsidiaries, on account of an inadvertent error. Pursuant to an application made to the Cell for Effective Implementation of FEMA (Foreign Exchange Department), RBI on October 17, 2016, our Company has applied for compounding of this error. The RBI, through its letter dated February 2, 2017, returned the aforestated compounding application, directing our Company to approach the Issue Desk of RBI's Foreign Investment Division, FED, Central Office, Mumbai (the "**FID**"). Subsequently, through its letter dated March 23, 2017, our Company approached the FID in this regard, seeking advice as to the necessary actions required to regularise the aforementioned delay. This matter is currently pending.

See "*Risk Factors - There have been certain instances of discrepancies in relation to certain statutory filings made or required to be filed by our Company with the RoC under applicable law and certain other non-compliances under Indian company law. Further, we have, in the past, failed to comply with reporting requirements in respect of issuance of Equity Shares and CCPs and certain other regulations governing issuance of capital to non-resident shareholders.*" on page 30.

VII. Material developments since the last balance sheet date

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments Occurring after March 31, 2017*" on page 463, there have been no developments subsequent to March 31, 2017 that we believe are expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

GOVERNMENT AND OTHER APPROVALS

In view of the indicative approvals listed below, our Company can undertake this Offer and we can undertake our current business activities. Except as mentioned below, no further significant approvals from any governmental or regulatory authority or any other entity are required to undertake this Offer or continue such business activities. Unless otherwise stated, these approvals are valid as on the date of this Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see "*Regulations and Policies*" on page 204.

A. Approvals relating to the Offer

1. The Board, pursuant to its resolution dated July 27, 2016, authorised the Offer subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013;

2. The shareholders of our Company have, pursuant to their resolution dated August 22, 2016 under Section 62(1)(c) of the Companies Act, 2013, authorised the Fresh Issue;

3. In-principle approval from the NSE dated November 3, 2016;

4. In-principle approval from the BSE dated October 14, 2016; and

5. The Board has approved this Prospectus pursuant to its resolution dated August 4, 2017.

B. Approvals relating to Offer for Sale

1. Please see "*The Offer*" on page 85 for details of consents provided by the Selling Shareholders for their respective portions of the Offer for Sale.

2. The Board approved the Draft Red Herring Prospectus and took on record the Offer for Sale by the Selling Shareholders pursuant to its resolution dated September 26, 2016.

C. Corporate Approvals

1. Initial certificate of incorporation dated January 2, 1985 issued by the RoC in the name of Security and Intelligence Services (Eastern India) Private Limited.

2. Fresh certificate of incorporation dated May 27, 1992 consequent upon change in the name of our Company to Security and Intelligence Services (India) Private Limited issued by the RoC.

3. Fresh certificate of incorporation dated July 29, 1993, consequent upon conversion of the Company to a public limited Company as Security and Intelligence Services (India) Limited issued by the RoC.

4. Corporate Identity Number U75230BR1985PLC002083 issued by the RoC, Ministry of Corporate Affairs, Government of India.

5. Permanent Account Number AAECS3538A issued by the Commissioner of Income-Tax, Patna.

6. Tax Deduction Account Number PTNS00365B issued by the Income Tax Department, Government of India.

7. Service tax code AAECS3538ASD130 issued by the Central Board of Excise and Customs, Department of Revenue, Ministry of Finance, Government of India.

8. Letter dated May 27, 1986 from the Office of the Regional Provident Commissioner, Patna, with respect to applicability of the Employees' Provident Fund & Miscellaneous Provisions Act, 1952 along with schemes framed thereunder to our Company and allotting EPF Code number BR/5020 to our Company.

9. Letter dated February 8, 2010 issued by the Regional Office of Employees' State Insurance Corporation, Patna, allotting the code number 42-00-006423-000-1018 to our Company.

10. Letter dated October 22, 2010 issued by the Regional Office (Compliance Wing) of Employees' Provident Fund Organisation, Bengaluru allotting a separate code number KN/44334 to the Bengaluru International Airport branch unit of our Company.

11. Profession tax assessment number of our Company is 10PTN5003658 for the state of Bihar. Further, our Company has several branches in various states falling under the respective profession tax legislations.

12. Certificate of Provisional Registration (GSTIN: 10AAECS3538A1Z2), dated June 25, 2017 issued under the Central Goods and Services Tax Act, 2017, by the Government of India and the Government of Bihar, for the state of Bihar.

D. Foreign Investment approvals

Our Company

Approval from the FIPB (No. 05(2013)/98(2012) dated March 7, 2013 for foreign collaboration in the Company, subject to certain conditions, including compliance with the provisions of the PSARA. The FIPB has approved foreign equity participation by Theano for 26.24% of the share capital of our Company and the approval of the FIPB shall be necessary where our Company intends to increase the participation of foreign investors beyond 29.97% of the equity share capital of the Company.

Our Company is required to notify the FIPB within 30 days of the allotment of shares to non-resident shareholders and/or the receipt of funds in connection with such allotment, where such allotment will not increase foreign equity participation beyond 29.97% of the equity share capital of our Company.

The said approval from the FIPB was subsequently amended (No. FC.II.05 (2013)/98(2012)-Amend) on August 19, 2014. Pursuant to this amendment, the FIPB allowed our Company to issue 20,000 Equity Shares under an ESOP scheme to employees of one of our overseas subsidiaries, subject to other terms and conditions as specified in the approval dated March 7, 2013, bearing reference number FIPB (No. 05(2013)/98(2012).

SIS Cash

Approval from the FIPB (No. 114(2011)/137(2011)) dated January 13, 2012 for foreign collaboration by Prosegur Spain with our Company in SIS Cash, subject to certain conditions, including the compliance with the provisions of the PSARA and our Company to remain all times as an "Indian owned and controlled company". The FIPB approved the foreign equity participation by Prosegur Spain to the extent of 49% of equity shares of the SIS Cash and the initial FDI inflow by it for up to ₹ 650 million. See also "*Risk Factors - We are subject to risks associated with operating with joint venture and other strategic partners.*" on page 33.

SIS Cash is required to notify the FIPB within 30 days of the allotment of shares to non-resident shareholders and/or the receipt of funds in connection with such allotment, where (i) such allotment will not increase foreign equity participation beyond 49% of the equity share capital of SIS Cash and/or (ii) the activity is permissible under the automatic route and such allotment will increase the foreign equity participation beyond 49% of the equity share capital of SIS Cash.

E. Business Approvals

I. Licenses under the Private Security Agencies (Regulation) Act, 2005

The PSARA is the principal legislation for the regulation of private security agencies in India (excluding Jammu & Kashmir). To provide private security services in India, a PSARA Approval is required to be obtained from the relevant Competent Authorities. In terms of this legislation, private security services include provision of services such as: (i) protection or guarding of any person and/or their property; (ii) deployment of armed guards along with armoured car. Our Company provides private security services in India and deploys, *inter alia*, security guards, security officers and armed guards at our customer premises across India. Our Joint Ventures, SIS Cash and SIS Prosegur provide cash logistics services across India. Our Company, SIS Cash and SIS Prosegur are required to avail PSARA Approvals to provide such services. A PSARA Approval is valid for a period of five years, unless cancelled earlier.

See also "*Our Business*" and "*Regulations and Policies*" on pages 181 and 204.

(i) **PSARA Approvals pertaining to our Company**

As on the date of this Prospectus, our Company has manned guarding operations in all states and five union territories of India. Our Company has received 29 PSARA Approvals from the relevant Controlling Authorities in 24 states and five union territories. Once the rules for implementation of PSARA are notified by the Manipur state government, our Company will make an application to obtain PSARA Approval for operating therein. The following applications made by our Company for obtaining the PSARA Approvals are currently pending:

S. No.	State/Union Territories Covered	Registration /Renewal	Authority applied to	Application Number	Date of acknowledgement of application/ Application date
1.	Arunachal Pradesh	Registration	The Controlling Authority, PSA & Inspector General (Security), Arunachal Pradesh	-	March 21, 2014
2.	Uttarakhand	Renewal	The Niyantrak Pradhikari, Apar Sacheev Greh, Uttarakhand Shaasan, Deheradun		February 22, 2017
3.	Tripura	Renewal	District Magistrate & Collector, West Tripura District, Agartala	-	March 28, 2017

(ii) **PSARA Approvals pertaining to SIS Cash**

As on the date of this Prospectus, SIS Cash has operations in 27 states and two union territories of India. SIS Cash has received 10 PSARA Approvals from the relevant Controlling Authorities in nine states and one union territory. Once the rules for implementation of PSARA are notified by Manipur state government, SIS Cash will make an application to obtain PSARA Approval for operating therein. The following applications made by SIS Cash for obtaining the registrations for PSARA Approvals are currently pending:

S. No.	State/Union Territories Covered	Authority applied to	Application Number	Date of acknowledgement of application/ Application date
1.	Andhra Pradesh	The Controlling Authority, Andhra Pradesh	-	September 24, 2016
2.	Arunachal Pradesh	The Controlling Authority, Commissioner (Home), Arunachal Pradesh	-	September 24, 2016
3.	Bihar	Special Secretary, Bihar	-	August 21, 2014
4.	Chhattisgarh	The Controlling Authority, Private Security Agencies, Chhattisgarh	-	September 16, 2016
5.	Goa	The Under Secretary, Home – 11, Goa	-	August 13, 2015
6.	Jharkhand	The Controlling Authority, Joint Secretary, Home Department, Jharkhand	-	December 23, 2015
7.	Kerala	The Joint Secretary and the Controlling	-	September 24, 2016

S. No.	State/Union Territories Covered	Authority applied to	Application Number	Date of acknowledgement of application/ Application date
		Authority, Home Department, Government Secretariat, Thiruvananthapuram		
8.	Madhya Pradesh	The Controlling Authority, Additional Director (Bhopal), Madhya Pradesh	-	September 24, 2016
9.	Maharashtra	Joint Commissioner of Police, Mumbai	CFCAA67358	May 4, 2012
10.	Meghalaya	The Controlling Authority, Commissioner & Secretary to the Government of Meghalaya, Home (Police) Department	-	September 24, 2016
11.	Mizoram	The Controlling Authority, Commissioner (Home), Mizoram	-	September 24, 2016
12.	Odisha	The Controlling Authority, The Director cum Additional Director General of Police/Intelligence, BSSR, Odisha	-	September 24, 2016
13.	Rajasthan	The Controlling Authority, Inspector General of Police (Security), Jaipur, Rajasthan	-	September 24, 2016
14.	Sikkim	The Controlling Authority, Deputy Secretary Home Department (Confidential Department), Gangtok, Sikkim	-	September 24, 2016
15.	Telangana	The Controlling Authority, Special Secretary to the Government of Telangana, Home Department	-	September 24, 2016
16.	Tripura	The Controlling Authority, District Magistrate and Controller, Agartala	-	September 7, 2016
17.	Uttarakhand	The Controlling Authority, Uttarakhand	-	December 26, 2012
18.	Chandigarh	The Controlling Authority Chandigrah	-	September 24, 2016

(iii) **PSARA Approvals pertaining to SIS Prosegur**

As on the date of this Prospectus, SIS Prosegur has operations in 14 states and two union territories of India. SIS Prosegur has made following applications before the relevant Controlling Authorities for obtaining the registrations for PSARA Approvals, which are currently pending:

S. No.	State/Union Territories Covered	Authority applied to	Application Number	Date of acknowledgement of application/ Application date
1.	Andhra Pradesh	The Controlling Authority, Andhra Pradesh	-	September 16, 2016
2.	Chhattisgarh	The Controlling Authority, Chhattisgarh	-	September 20, 2016
3.	Goa	The Controlling Authority, Additional Secretary (Home), Goa	-	July 3, 2017
4.	Gujarat	Police Commissioner Office, Baroda City	vc 16175400006	April 6, 2016
5.	Karnataka	Deputy Inspector General of Police, Internal Security, Bangalore City, Karnataka	-	September 20, 2016
6.	Kerala	Additional Security and Controlling Authority, Private Security Agency, Kerala	-	September 20, 2016
7.	Madhya Pradesh	The Controlling Authority, Madhya Pradesh	-	September 23, 2016
8.	Maharashtra	Commissioner of Police, Pune	-	September 20, 2016
9.	Punjab	ADGP/Security-cum-Controlling Authority, Private Securities Agencies - Punjab, Chandigarh	-	September 20, 2016

S. No.	State/Union Territories Covered	Authority applied to	Application Number	Date of acknowledgement of application/ Application date
10.	Rajasthan	The Director General of Home Guard, Rajasthan	-	September 20, 2016
11.	Tamil Nadu	The Controlling Authority, TNPSA, Tamil Nadu	-	September 20, 2016
12.	Telangana	The Controlling Authority, Home Secretary, Telangana	-	September 20, 2016
13.	Uttar Pradesh	The Controlling Authority, Uttar Pradesh	-	September 20, 2016
14.	West Bengal	Home Department, Political Branch, West Bengal	-	September 23, 2016
15.	Delhi	The Controlling Authority, Government of National Capital Territory of Delhi	-	September 20, 2016
16.	Puducherry	The Controlling Authority, Home Department, Puducherry	-	September 7, 2016

II. ***Licenses under the Jammu and Kashmir Private Security Agencies (Regulation) Act, 2015***

The JSARA is the primary legislation for the regulation of private security agencies in the state of Jammu and Kashmir. To provide private security services in the state of Jammu and Kashmir, a license under JSARA is required to be obtained from the relevant authority as specified in this legislation. In accordance with this enactment, private security services include protection or guarding of any person and/or their property. Our Company deploys private security personnel at our customer premises in the state of Jammu and Kashmir. Once the rules for implementation of JSARA are notified by the Jammu and Kashmir state government, our Company will make an application to obtain the license for operating therein.

See also "*Our Business*" and "*Regulations and Policies*" on pages 181 and 204.

III. ***Licenses under the Insecticides Act***

License under the Insecticides Act is required to, *inter alia,* undertake commercial pest control operations, or to import, distribute or stock any insecticides in India. A license granted under the Insecticides Act can be revoked or suspended or cancelled in accordance with the provisions of the Insecticides Act. SIS Terminix, one of our Subsidiaries provides pest control and termite solutions for homes, businesses and industrial establishments. Further, Dusters, one of our Subsidiaries, as a part of its services portfolio occasionally offers pest control services. For further details of business activities and applicable regulations in relation to such activities undertaken by our subsidiaries, SIS Terminix and Dusters, see "*Our Business*" and "*Regulations and Policies*" on pages 181 and 204, respectively.

(i) ***Insecticides Act approvals for SIS Terminix***

As on the date of this Prospectus, SIS Terminix, our subsidiary has 14 branches across India and it currently holds valid approvals under the Insecticides Act, except as mentioned below in respect of which the applications are currently pending or is in the process of being made before the relevant authorities.

S. No.	Description	Registration/Renewal	Authority applied to	Application Number	Date of acknowledgement of application/ Application date
1.	License to stock and use restricted insecticide(s) for commercial	Registration	Assistant Director of Agriculture, Bangalore East Taluk	-	September 21, 2016

S. No.	Description	Registration/Renewal	Authority applied to	Application Number	Date of acknowledgement of application/ Application date
	pest control operations(s) for Whitefield branch.				
2.	License to stock and use restricted insecticide(s) for commercial pest control operations(s) for Electronic City branch.	Registration	Assistant Director of Agriculture, Bangalore East Taluk	-	September 21, 2016

IV. ***Licenses under shops and establishments legislations***

A number of states in India, including Delhi, West Bengal, Punjab, Haryana, Karnataka and Bihar have passed laws for regulating shops and commercial establishments. Such laws require registrations to be obtained, and also regulate working hours, payment of wages, leave, holidays, terms of service and other conditions of work of persons employed in shops and commercial establishments. Contraventions of provisions of such laws may entail punishment such as imprisonment along with monetary penalty. For further details of shops and establishment legislations in India see, "*Regulations and Policies*" on page 204.

Our Company and certain of our Subsidiaries and Joint Ventures are required to be registered under relevant shops and establishment legislations, wherever enacted and in force. The material branches of our Subsidiaries and Joint Ventures (that contributed, in aggregate to at least 50% of the revenue of the relevant Subsidiary and Joint Venture) maintain valid shops and establishments licenses. Our Company has made following applications for registration or renewal of the following shops and establishments licenses:

S. No.	Branch	Registration /Renewal	Authority applied to	Application Number	Date of acknowledgement of application/ Application date
By our Company					
1.	Uppal	Registration	Labour Department, Government of Telangana	NEST201745576	April 7, 2017
2.	Meerut	Registration	Labour Commissioner Organisation, Uttar Pradesh	SA7002188	June 13, 2017
3.	Navi Mumbai	Renewal	Shop Inspector Office, Vashi	101782721704	-
4.	Salt Lake, Kolkata	Registration	The Registering Authority, Shops & Establishments (Labour Department), Government of West Bengal	-	June 14, 2017
5.	Sector V, Kolkata	Registration	The Registering Authority, Shops & Establishments (Labour Department), Government of West Bengal	-	June 27, 2017
6.	Nashik	Renewal	Deputy Commissioner of Labour, Nashik	-	August 2, 2017
7.	Hinjewadi, Pune	Renewal	Head of Village, Village Development officer, Village Panchayat Hinjewadi, Taluk-Mulashi, Pune-57	-	August 2, 2017

Labour welfare approvals

We, our Subsidiaries and our Joint Ventures are required to be registered under the Employees State Insurance Act and the Employees Provident Fund Act for making contributions towards insurance and provident fund entitlements of individuals employed by them. For further details of labour welfare laws in India see "*Regulations and Policies*" on page 204.

Our Company, certain of our Subsidiaries and our Joint Ventures have obtained registrations in the normal course of business for their branches across various states and union territories in India. Our Company has obtained the aforementioned registrations in the normal course of business for its branches in various states and union territories of India.

For details of such accreditations, see "*History and Certain Corporate Matters – Awards and Accreditations*" on page 213.

F. Approvals obtained by certain of our Subsidiaries and Joint Ventures in relation to our operations outside India

As on the date of this Prospectus, our Subsidiaries operating outside India have obtained the following material approvals required to conduct their business and operations:

I. *Business registration*

Name of company	Australian Company Number	Australian Business Number	Tax File Number
SAHL	132 211 459	65 132 211 459	891 787 466
SIS Australia Group	132 211 806	58 132 211 806	890 787 262
MSS Security Holdings	132 211 824	62 132 211 824	890 787 699
MSS Security	100 573 966	29 100 573 966	789 003 108 (Australia) 120022547 (New Zealand)
MSS Strategic	155 387 152	48 155 387 152	934 172 815
Australian Security	160 045 189	80 160 045 189	941 152 219
SIS Group International	600 112 490	89 600 112 490	378 481 862
Habitat Security	610 598 242	48 610 598 242	977 946 297
Andwills Pty Ltd	600 230 564	44 600 230 564	379496334
SX Protective Services Pty Ltd	132 211 851	68 132 211 851	890787542
Southern Cross Protection Pty Ltd	094 077 255	93 094 077 255	757675662
Southern Cross FLM Pty Ltd	163 148 043	30 163 148 043	945788310
Southern Cross Loss Prevention Pty Ltd	164 506 656	71 164 506 656	948407568
Cage Security Alarms Pty. Limited	002 363 671	81 002 363 671	82978533
Cage Security Guard Services Pty Ltd	161 243 045	62 161 243 045	942209090
Eymet Security Consultants Pty Ltd	157 726 399	24 157 726 399	936694134
Askara Pty Ltd	082 632 540	56 082 632 540	429633105
Charter Customer Services Pty Ltd	156 114 091	52 156 114 091	934090087
Charter Security Protective Services Pty Ltd	133 958 406	91 133 958 406	893053945
MSS AJG Pty Ltd	610 598 251	48 610 598 251	456 346 846

II. *Child Support Agency registrations*

Name of company	Registration type	Registration number
MSS Security	Child Support Agency Registration Number/ Employer Number	809042179774
MSS Strategic	Child Support Agency Registration Number/ Employer Number	3090332668449290
Southern Cross Protection Pty Ltd	Child Support Agency Registration Number/ Employer Number	4090 3613 9760
Charter Security Protective Services Pty Ltd	Child Support Agency Registration Number/ Employer Number	8090 3329 8676
Askara Pty Ltd	Child Support Agency Registration Number/ Employer Number	1090 3316 6453
Charter Customer Services Pty Ltd	Child Support Agency Registration Number/ Employer Number	2090 3264 6026

III. *Employee related scheme registrations*

Name of the company	State	Registration type	Registration number
MSS Security	VIC	Incolink registration	7118289
	ACT	ACT Long Service Leave registration	652193

IV. *Payroll tax registration:*

Name of the company	State	Registration number
MSS Security	ACT	111102
	NSW	99124245
	NT	122447
	QLD	1039559
	SA	1000005730
	TAS	6691403
	VIC	67151203
	WA	2536208
MSS Strategic	NSW	132302038
	NT	124435
	QLD	3626412
	VIC	84692466
	WA	2906596
Cage Security Guards Pty Ltd	NSW	130098771
Southern Cross Protection Pty Ltd	ACT	115506
	NSW	113612983
	VIC	75311833
	QLD	1088388
	SA	100010258
	WA	2711469
	NT	123014
	TAS	7434064
Askara Pty Ltd	QLD	610372
	WA	2711469
Charter Security Protective Services Pty Ltd	ACT	121038
	NSW	124123516
	VIC	84591000
	QLD	3666604
	SA	100013576
	7WA	2903734
	NT	124082

Name of the company	State	Registration number
	TAS	7777999
Charter Customer Services Pty Ltd	NSW	124123549
	VIC	84591026
	QLD	3666471
	SA	100013661
	WA	2903735
	NT	124083
	TAS	7901274

V. *Security licenses*

Name of the company	State	Licence type	Licence number	Renewal due
MSS Security	ACT	Security Industry Master Licence	17501687	July 6, 2019
	NSW	Master Licence	408742075	April 23, 2018
	NT	Security Firm Licence	117	October 1, 2018
	QLD	Security Provider Licence	41299	April 30, 2018
	SA	Security Agent	ISL 195938	October 30, 2017
	TAS	Security Agent Licence	5784	September 30, 2018
	VIC	Private Security Business Licence	409-987-30S	May 18, 2020
	WA	Security Agent's Licence (held by Paul Price for MSS Security)	SA47152 / CA7152 / IA47152	December 19, 2019
MSS Strategic	ACT	Security Industry Master Licence	17502188	May 14, 2019
	NSW	Master Licence	410906251	December 18, 2017
	NT	Security Firm Licence	299	July 3, 2019
	QLD	Security Provider Licence	3582069	December 5, 2018
	SA	Security Agent	ISL 255740	August 31, 2017
	TAS	Security Agent Licence	20292	February 28, 2020
	VIC	Private Security Business Licence	845-114-20S	June 26, 2019
	WA	Security Agent's Licence (held by Paul Price for MSS Strategic)	SA47153	December 19, 2019
Australian Security	ACT	Security Industry Master Licence	17502181	April 9, 2019
	NSW	Master Licence	410889316	November 10, 2017
	NT	Security Firm Licence	300	July 9, 2019
	QLD	Security Provider Licence	3584129	December 20, 2018
	SA	Security Agent	ISL 252633	August 31, 2017
	TAS	Security Agent Licence	20291	February 28, 2020
	VIC	Private Security Business Licence	844-219-60S	January 30, 2019
	WA	Security Agent's Licence (held by Geoff Alcock for Australian Security)	SA47493	February 18, 2020
Habitat Security	ACT	Security Industry Master Licence	17502402	June 1, 2019
Southern Cross	ACT	Master Licence	17501952	September 7, 2017
	NSW	Commercial Agents and Private Inquiry Agents	410413481	April 27, 2021
	NSW	Master Licence	409990871	July 4, 2020
	NT	Security Firm Licence	244	December 17, 2018
	QLD	Security Firm Class 1 and 2	3301577	April 27, 2018

Name of the company	State	Licence type	Licence number	Renewal due
	SA	Security Agents Licence	ISL 232917	September 30, 2017
	VIC	Private Security Business Licence	76393041S	July 2, 2019
	WA	Security Agent	SA33952	May 12, 2019
	TAS	Agents Licence	14644	March 31, 2020

VI. *Firearms licenses*

Name of the company	State	Licence Type	Licence number	Renewal due
MSS Security	ACT	Composite Entity Licence	C0000072	February 24, 2018
	NSW	Firearms Business H Licence – Reserve Bank site	409315833	May 20, 2021
	NSW	Firearms Business H Licence – Premier's Department	411231575	June 6, 2019
	NSW	Firearms Business H Licence – Moorebank Defence	411280166	November 15, 2019
	VIC	General Category Handgun Licence	409-987-62H	October 10, 2018

VII. *Licences related to controlled drugs*

Name of the company	State	Licence Type	Licence number	Renewal due
MSS Strategic	QLD	Health (Drugs and Poisons Permit)	PAR006383217	March 16, 2019
	WA	Poisons Permit	24416	June 30, 2018

G. Intellectual property related approvals

Trademarks India:

Detail of our registered trademark is set forth below.

S. No.	Description	Authority	Registration Number	Date	Validity
Of our Company					
1.	Registration under class 16 for "SiS – Security and Intelligence Services (India) Limited – Total Security Solution Provider" trademark in respect of *inter alia* paper and paper articles, cardboard and printed matter.	Trade Marks Registry, Government of India	1217826	Initially registered on July 25, 2003 and thereafter renewed with effect from July 25, 2013	10 years

Details of pending applications in respect of trademarks are set forth below.

For registration

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
By our Company				
1.	Application under class 45 for registration of "SiS – Security and Intelligence Services (India) Limited" as a trademark in respect of security services for protection of property and individuals, monitoring of burglar and security alarms and security consultancy.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	3354508	September 6, 2016
2.	Application under class 45 for registration of "SiS – Security and Intelligence Services (India) Limited – Total Security Solutions Provider" as a trademark in respect of security services for protection of property and individuals, monitoring of burglar and security alarms and security consultancy.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	3354509	September 6, 2016
3.	Application under class 45 for registration of "SiS – Security and Intelligence Services (India) Limited – SIS Group Enterprises – Total Security Solutions Provider" as a trademark in respect of security services for protection of property and individuals, monitoring of burglar and security alarms and security consultancy.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	3354510	September 6, 2016
4.	Application under class 45 for registration of "SiS – Security and Intelligence Services (India) Limited – Total Security Solutions Provider" as a trademark in respect of security services for protection of property and individuals, monitoring of burglar and security alarms and security consultancy.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	3354511	September 6, 2016
SIS Terminix				
5.	Application under class 37 for registration of "MUSCA-X" as a trademark in respect of pest control services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated January 9, 2014. SIS Terminix submitted a response on July 15, 2015 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2453811	January 3, 2013
6.	Application under class 37 for registration of "BUG-X" as a trademark in respect of pest control services. The application was opposed	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2453812	January 3, 2013

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
	pursuant to the examination report of the Registrar of Trade Marks dated September 10, 2013. SIS Terminix submitted a response on September 22, 2014 to the objection.			
7.	Application under class 37 for registration of "RAT-X" as a trademark in respect of pest control services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated January 9, 2014. SIS Terminix submitted a response dated July 14, 2015 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2453813	January 3, 2013
8.	Application under class 37 for registration of "TERMIN-X" as a trademark in respect of pest control services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated January 9, 2014. SIS Terminix submitted a response on September 9, 2014 to the objection. Thereafter, in relation to this application, SIS Terminix submitted a no objection certificate from Terminix International Company Limited Partnership on January 22, 2015 and March 17, 2015.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2453814	January 3, 2013
9.	Application under class 37 for registration of "CRAWL-X" as a trademark in respect of pest control services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated January 9, 2014. SIS Terminix submitted a response on July 15, 2015 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2453815	January 3, 2013
10.	Application under class 37 for registration of "PROBLEM SOLVED GUARANTEE" as a trademark in respect of pest control services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated January 9, 2014. SIS Terminix submitted a response on July 15, 2015 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2453816	January 3, 2013
11.	Application under class 37 for registration of "INNOVATIVE	The Registrar of Trade Marks,	2453817	January 3, 2013

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
	PEST MANAGEMENT” as a trademark in respect of pest control services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated January 9, 2014. By an order of the Registrar of Trade Marks dated March 26, 2016 the application was abandoned on the ground that no response to the examination report was received within the prescribed time period. SIS Terminix submitted a response dated May 2, 2016 to the objection and the order of abandonment.	The Office of the Trade Marks Registry, New Delhi		
Dusters				
12.	Application under class 35 for registration of “dtss - dusterstotalsolutionsservices” as a trademark in respect of facility management services.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, Chennai	3272446	May 31, 2016
SIS Cash				
13.	Application under class 39 for registration of “SISCO” as a trademark in respect of transport *inter alia* guarded transport of valuables including but not limited to cash in different denominations, foreign currency, jewellery, precious metals and stones, bullion, credit and debit cards, purse and every sort of card/device holding a monetary value upper to the manufacturing cost, telephone cards, cheques, travelling cheques, lottery and gambling tickets, prepaid tickets holding a monetary value upper to the manufacturing cost; storage and packaging of goods including cash and valuables; distribution and delivery of cash and/or other valuables; replenishing of automated teller machines; providing information, consultancy and advisory services in relation to the aforesaid services. The application was accepted for advertisement in the trademark journal pursuant to the examination report of the Registrar of Trade Marks dated July 19, 2016.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2915066	March 4, 2015
14.	Application under class 36 for registration of “SISCO – Leader In Cash Logistics” logo as a trademark in respect of providing financial/	The Registrar of Trade Marks, The Office of the Trade Marks	2915062	March 4, 2015

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
	banking information, financial/ banking evaluation, financial/ banking analysis and financial/ banking consultancy services; financial and monetary affairs; financial management services; and safe deposit services including deposit of valuables and cash. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated June 10, 2016.	Registry, New Delhi		
15.	Application under class 39 for registration of "SISCO – Leader In Cash Logistics" logo as a trademark in respect of transport *inter alia* guarded transport of valuables including but not limited to cash in different denominations, foreign currency, jewellery, precious metals and stones, bullion, credit and debit cards, purse and every sort of card/device holding a monetary value upper to the manufacturing cost, telephone cards, cheques, travelling cheques, lottery and gambling tickets, prepaid tickets holding a monetary value upper to the manufacturing cost; storage and packaging of goods including cash and valuables; distribution and delivery of cash and/or other valuables; replenishing of automated teller machines; providing information, consultancy and advisory services in relation to the aforesaid services. The application was accepted for advertisement in the trademark journal pursuant to the examination report of the Registrar of Trade Marks dated July 19, 2016.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2915065	March 4, 2015
16.	Application under class 37 for registration of "SISCO" as a trademark in respect of installation, maintenance and repair services in respect of automated teller machines and on-site cash devices; ancillary services in respect thereof such as processing, cleaning, checking and inspecting services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated February 2, 2016. SIS Cash	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2915064	March 4, 2015

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
	submitted a response on August 16, 2016 to the objection.			
17.	Application under class 35 for registration of "SISCO" as a trademark in respect of business, commercial and/ or industrial management assistance. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated February 3, 2016. SIS Cash submitted a response on March 2, 2016 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2915060	March 4, 2015
18.	Application under class 35 for registration of "SISCO – Leader In Cash Logistics" logo as a trademark in respect of business, commercial and/ or industrial management assistance. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated June 10, 2016.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2915061	March 4, 2015
19.	Application under class 37 for registration of "SISCO – Leader In Cash Logistics" logo as a trademark in respect of installation, maintenance and repair services in respect of automated teller machines and on-site cash devices; ancillary services in respect thereof such as processing, cleaning, checking and inspecting services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated June 11, 2016.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2915063	March 4, 2015
20.	Application under class 37 for registration of "SISPROSEGUR" as a trademark in respect of installation, maintenance and repair services in respect of automated teller machines and on-site cash devices; ancillary services in respect thereof such as processing, cleaning, checking and inspecting. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated December 22, 2015. SIS Cash submitted a response on February 23, 2016 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2810692	September 17, 2014
21.	Application under class 36 for registration of "SISPROSEGUR" as	The Registrar of Trade Marks,	2810691	September 17, 2014

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
	a trademark in respect of providing financial/ banking information, financial/ banking evaluation, financial/ banking analysis and financial/ banking consultancy services; financial and monetary affairs; financial management services; and safe deposit services including deposit of valuables and cash. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated December 22, 2015. SIS Cash submitted a response on February 23, 2016 to the objection.	The Office of the Trade Marks Registry, New Delhi		
22.	Application under class 35 for registration of "SiS PROSEGUR Leader In Cash Logistics >>" logo as a trademark in respect of business, commercial and /or industrial management assistance services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated December 22, 2015. SIS Cash submitted a response on February 23, 2016 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2810686	September 17, 2014
23.	Application under class 35 for registration of "SISPROSEGUR" as a trademark in respect of business, commercial and/ or industrial management assistance services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated December 22, 2015. SIS Cash submitted a response on February 23, 2016 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2810690	September 17, 2014
24.	Application under class 39 for registration of "SISPROSEGUR" as a trademark in respect of transport *inter alia* guarded transport of valuables including but not limited to cash in different denominations, foreign currency, jewellery, precious metals and stones, bullion, credit and debit cards, purse and every sort of card/device holding a monetary value upper to the manufacturing cost, telephone cards, cheques, travelling cheques, lottery and gambling tickets, prepaid tickets holding a monetary value upper to	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2810693	September 17, 2014

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
	the manufacturing cost; storage and packaging of goods including cash and valuables; distribution and delivery of cash and/or other valuables; replenishing of automated teller machines; providing information, consultancy and advisory services in relation to the aforesaid services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated December 22, 2015. SIS Cash submitted a response on February 23, 2016 to the objection.			
25.	Application under class 37 for registration of "SiS PROSEGUR Leader In Cash Logistics >>" logo as a trademark in respect of installation, maintenance and repair services in respect of automated teller machines and on-site cash devices ancillary services in respect thereof such as processing, cleaning, checking and inspecting services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated December 22, 2015. SIS Cash submitted a response on February 23, 2016 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2810688	September 17, 2014
26.	Application under class 36 for registration of "SiS PROSEGUR Leader In Cash Logistics >>" logo as a trademark in respect of providing financial/ banking information, financial/ banking evaluation, financial/ banking analysis and financial/ banking consultancy services; financial and monetary affairs; financial management services; and safe deposit services including deposit of valuables and cash. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated December 22, 2015. SIS Cash submitted a response on February 23, 2016 to the objection.	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New Delhi	2810687	September 17, 2014
27.	Application under class 39 for registration of "SiS PROSEGUR Leader In Cash Logistics >>" logo as a trademark in respect of transport *inter alia* guarded transport	The Registrar of Trade Marks, The Office of the Trade Marks Registry, New	2810689	September 17, 2014

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
	of valuables including but not limited to cash in different denominations, foreign currency, jewellery, precious metals and stones, bullion, credit and debit cards. purse and every sort of card/device holding a monetary value upper to the manufacturing cost, telephone cards, cheques, travelling cheques, lottery and gambling tickets, prepaid tickets holding a monetary value upper to the manufacturing cost; storage and packaging of goods including cash and valuables; distribution and deliver)' of cash and/or other valuables; replenishing of automated teller machines; providing information, consultancy and advisory services in relation to the aforesaid services. The application was opposed pursuant to the examination report of the Registrar of Trade Marks dated December 22, 2015. SIS Cash submitted a response on February 23, 2016 to the objection.	Delhi		

Copyrights

Details of pending applications in respect of copyrights are set forth below.

For registration

S. No.	Description	Authority applied to	Reference Number	Application Acknowledgement Date/ Application Date
By Dusters				
1.	Application for registration of an art logo "dtss - dusterstotalsolutionsservices".	The Registrar of Copyrights, Copyrights Office, New Delhi	78870	June 22, 2016

Trademarks of our overseas subsidiaries:

The following trademarks are registered in the name of MSS Security:

S. No.	Trademark	Status	Goods/services
1.	327354	Registered / Protected Renewal due on February 1, 2020.	**Class 37**: Services in this class relating to installation and repair of theft prevention devices

S. No.	Trademark	Status	Goods/services
2.	327355	Registered / Protected Renewal due on February 1, 2020.	**Class 42:** Civil protection services
3.	948820	Registered / Protected Renewal due on March 31, 2023.	**Class 9:** Security and alarm apparatus and equipment **Class 37:** Installation, maintenance and repair of theft prevention devices and security apparatus and equipment **Class 45:** Monitoring of security and alarm systems; security and civil protection services including the provision of security guards and mobile patrols; call monitoring services
4.	948821	Registered / Protected Renewal due on March 31, 2023.	**Class 9:** Security and alarm apparatus and equipment **Class 37:** Installation, maintenance and repair of theft prevention devices and security apparatus and equipment **Class 45:** Monitoring of security and alarm systems; security and civil protection services including the provision of security guards and mobile patrols; call monitoring services
5.	1321993	Registered / Protected Renewal due on September 23, 2019.	**Class 9:** Apparatus for use in security control; closed circuit television security apparatus; controlled access security apparatus; electronic security equipment, other than for vehicles; electronic security installations for use in buildings; security alarms and alarm systems (other than for vehicles); security surveillance apparatus; security systems other than for vehicles; transmitters for use in security; cards encoded with security features for identification purposes **Class 37:** Installation of security systems; maintenance and servicing of security alarms; erection of security fencing **Class 39:** Transport security services (the guarded transport of goods or passengers); courier services **Class 45:** Advisory services relating to security; airline passenger screening (security) services; airport security services; baggage inspection for security purposes; biometric security services; concierge services; civil protection services; consultancy services relating to security; monitoring of security systems; personal bodyguard services; provision of information relating to security; provision of on-site security facilities; provision of security alarm monitoring services; provision of security information; public events security services; security advisory services; security assessment of risks; security consultancy; security guards; security services; security services for the protection of property and individuals; security surveillance; lifesaving and life guarding services (safety and security patrols)

The following trademarks are registered in the name of Southern Cross Protection Pty Ltd:

S. No.	Trademark	Status	Goods/services
1.	1283802 *(Word, Device)*	Registered / Protected (Renewal Due: February 5, 2019)	**Class 37**: Erection of security fencing; installation of security systems; installation of vehicle security devices; maintenance and servicing of security alarms; repair of security locks; application of fire retardant materials; application of fireproof materials; fire alarm installation; fire alarm installation and repair; fire alarm repair; fire protection sprinkler system installation, maintenance and repair; installation fire detection

S. No.	Trademark	Status	Goods/services
			systems; maintenance and servicing of fire alarm systems; repair of fire damage **Class 45:** Advisory services relating to security; advisory services relating to the security of premises; aircraft security services; airline passenger screening (security) services; airport security services; baggage inspection for security purposes; biometric security services; consultancy services relating to security; employment screening services (security checking); life saving and life guarding services (safety and security patrols); monitoring of burglar and security alarms; monitoring of security systems; opening of security locks; providing information, including online, about security; provision of information relating to security; provision of on-site security facilities; provision of security alarm monitoring services; provision of security information; public events security services; rental of burglar, security or fire alarms; rental of security apparatus; rental of security surveillance apparatus; security advisory services; security assessment of risks; security consultancy; security guards; security marking of goods; security services; security services for the protection of property and individuals; security surveillance; airport fire services; fire fighting services; fire safety consultancy services; fire-fighting; monitoring of fire alarms; rental of burglar, security or fire alarms; rental of fire alarms; rental of fire extinguishers.

The following trademarks are registered in the name of Cage Security Alarms Pty. Limited:

S. No.	Trademark	Status	Goods/services
1.	925626 (Word, Device)	Registered/ Protected	**Class 45**: Security services for the protection of property and individuals
2.	928146 Cage Security (Word)	Registered/ Protected	**Class 45**: Security services for the protection of property and individuals
3.	984655 CageCam (Word)	Registered/ Protected	**Class 9**: CCTV (closed circuit television) security systems incorporating cameras
4.	1060910 Alarmlink (Word)	Lapsed/ Not protected	**Class 9**: Security alarm system **Class 45**: Supply of security monitoring services
5.	1146276 Visual Verification (Word)	Lapsed/ Not protected	**Class 45**: Installation and monitoring of security and video equipment
6.	1188909 (Word, Device)	Registered/ Protected	**Class 37:** Installation of security systems; maintenance and servicing of security alarms **Class 45:** Advisory services relating to security; advisory services relating to the security of premises; consultancy services relating to security; monitoring of burglar and security alarms; monitoring of security systems; providing information, including online, about security; provision of information relating to security; provision of on-site security facilities; provision of security alarm monitoring services; provision of security information; security advisory services; security assessment of risks; security consultancy; security guards; security services; security services for the protection of property and individuals; security surveillance

S. No.	Trademark	Status	Goods/services
7.	1188910 Real People (Word)	Registered/ Protected	**Class 37:** Installation of security systems; maintenance and servicing of security alarms **Class 45:** Advisory services relating to security; advisory services relating to the security of premises; consultancy services relating to security; monitoring of burglar and security alarms; monitoring of security systems; providing information, including online, about security; provision of information relating to security; provision of on-site security facilities; provision of security alarm monitoring services; provision of security information; security advisory services; security assessment of risks; security consultancy; security guards; security services; security services for the protection of property and individuals; security surveillance
8.	1252697 i-STU (Word)	Registered/ Protected	**Class 37:** Installation of communications network apparatus **Class 38:** Electronic data communications

The following trademarks are registered in the name of Charter Security Protective Services Pty Ltd:

S. No.	Trademark	Status	Goods/services
1.	925167 (*Device*)	Registered/ Protected	**Class 9:** Alarms and alarm systems; security systems, control panels, devices and apparatus; surveillance and monitoring equipment; apparatus and devices for detecting movement; fire detection apparatus and devices including smoke detectors; closed circuit television, cameras; access control systems, apparatus and equipment, including electronic card and remote access control systems; parts and fittings for all of the aforementioned goods in this class; computer software, computer hardware including computer network security goods in this class **Class 37:** Installation, repair and maintenance services in relation to alarms and alarm systems, security systems, control panels, security devices, security apparatus, surveillance equipment, monitoring equipment, movement detectors, fire detectors, smoke detectors, closed circuit television, cameras, access control systems, electronic card access control systems, remote access control systems, and computer network security goods **Class 41:** Education and training services in relation to security, theft prevention, risk management of property loss and theft; arranging and conducting workshops, seminars and conferences; provision of educational information **Class 45:** Security services; security consultancy and advice; monitoring of burglar and security alarms and systems; patrol services; security guards and body guards; burglary protection and prevention services; fire protection services; risk management of dangers, hazards and losses to property and personnel; theft prevention services, information and advice

Registered Business Names:

Status of our certain registered business names is as follows:

Business Name Holder	Business name	Details
Southern Cross Protection Pty Ltd ACN 094 077 255	Southern Cross Alarms	Status: Registered Registration date: 13/10/2008 Renewal date: 13/10/2017

Business Name Holder	Business name	Details
		Address for service of documents: PO BOX Q1674 Queen Victoria Building NSW 1230 Australia Principal place of business: Suite 28 26-32 Pirrama Rd Pyrmont NSW 2009 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
	Southern Cross Patrols	Status: Registered Registration date: 13/10/2008 Renewal date: 13/10/2017 Address for service of documents: PO BOX Q1674 Queen Victoria Building NSW 1230 Australia Principal place of business: Suite 28 26-32 Pirrama Rd Pyrmont NSW 2009 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
	Southern Cross Protection	Status: Registered Registration date: 13/10/2008 Renewal date: 13/10/2017 Address for service of documents: PO BOX Q1674 Queen Victoria Building NSW 1230 Australia Principal place of business: Suite 28 26-32 Pirrama Rd Pyrmont NSW 2009 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
	Southern Cross Protection	Status: Registered Registration date: 12/05/2009 Renewal date: 12/05/2015 Address for service of documents: 197 Selby Rd Osborne Park WA 6017 Principal place of business: 197 Selby Rd Osborne Park WA 6017 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
	Southern Cross Protection	Status: Registered Registration date: 02/07/2009 Renewal date: 02/07/2014 Address for service of documents: 89-91 Tennant St Fyshwick ACT 2609 Principal place of business: 89-91 Tennant St Fyshwick ACT 2609 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
	Cyber Check	Status: Registered Registration date: 18/12/2015 Renewal date: 13/10/2017 Address for service of documents: 28 26-32 Pirrama Rd Pyrmont NSW 2009 Principal place of business: 28 26-32 Pirrama Rd Pyrmont NSW 2009 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
	SX Investigations	Status: Registered Registration date: 28/11/2016 Renewal date: 28/11/2019 Address for service of documents: 28 26-32 Pirrama Rd

Business Name Holder	Business name	Details
		Pyrmont NSW 2009 Principal place of business: 28 26-32 Pirrama Rd Pyrmont NSW 2009 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
	SIA Security	Status: Registered Registration date: 27/03/2017 Renewal date: 27/03/2020 Address for service of documents: 28 26-32 Pirrama Rd Pyrmont NSW 2009 Principal place of business: 28 26-32 Pirrama Rd Pyrmont NSW 2009 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
	Retail Security Services	Status: Registered Registration date: 30/03/2017 Renewal date: 30/03/2020 Address for service of documents: 28 26-32 Pirrama Rd Pyrmont NSW 2009 Principal place of business: 28 26-32 Pirrama Rd Pyrmont NSW 2009 Holder name: Southern Cross Protection Pty Ltd Holder type: Body Corporate Holder ABN: 93 094 077 255
Cage Security Alarms Pty. Limited ACN 002 363 671	Cage Security	Status: Registered Registration date: 30/06/2005 Renewal date: 30/06/2017 Principal place of business: 1-5 Whiting St Artarmon NSW 2064 Holder name: Cage Security Alarms Pty. Limited Holder type: Body Corporate ABN: 81 002 363 671
	Instant Building & Maintenance	Status: Cancelled Registration date: 01/01/1753 Renewal date: 14/05/1991 Cancelled date: 19/09/1991 Former identifier: J3383800 Former State/Territory: NSW
	Cage Security	Status: Cancelled Registration date: 05/05/1995 Renewal date: 05/05/2001 Cancelled date: 16/07/2001 Former identifier: R5858704 Former State/Territory: NSW
	A Cage Security	Status: Cancelled Registration date: 31/05/1995 Renewal date: 31/05/2001 Cancelled date: 13/08/2001 Former identifier: R6392333 Former State/Territory: NSW
	Cage Credit	Status: Cancelled Registration date: 21/04/1998 Renewal date: 21/04/2001 Cancelled date: 02/07/2001 Former identifier: U7050748 Former State/Territory: NSW
	Cage Secure Link	Status: Cancelled Registration date: 22/04/1998 Renewal date: 22/04/2001

Business Name Holder	Business name	Details
		Cancelled date: 02/07/2001 Former identifier: U7076820 Former State/Territory: NSW
	Cage Insure	Status: Cancelled Registration date: 21/04/1998 Renewal date: 21/04/2001 Cancelled date: 02/07/2001 Former identifier: U7052203 Former State/Territory: NSW
	Cage Assist	Status: Cancelled Registration date: 21/04/1998 Renewal date: 21/04/2001 Cancelled date: 02/07/2001 Former identifier: U7052105 Former State/Territory: NSW
Askara Pty Ltd ACN 082 632 540	WACS Security	Status: Cancelled Registration date: 16/05/2005 Renewal date: 16/05/2011 Cancelled date: 20/06/2011 Former identifier: BN10257238 Former State/Territory: WA
	WACS Security	Status: Registered Registration date: 30/11/2016 Renewal date: 30/11/2019 Address for service of documents: 28 26-32 Pirrama Rd Pyrmont NSW 2009 Principal place of business: 19 Hod Way Malaga WA 6090 Holder name: Askara Pty Ltd Holder type: Body Corporate Holder ABN: 56 082 632 540

Details of the unregistered trademarks of our overseas subsidiaries are as follows:

Mark	Relevant Goods	Country of Use	Date Use Began
*	Patrol cars and other assets	Australia	Unknown
	Marketing, advertisements, patrol cars and other assets	Australia	Unknown

**As a part of the completion process for the SXP acquistion, SXP procured the lodgement of a trademark application for the "X" logo trademark, which is currently pending.*

Other arrangements with respect to intellectual property

Our Company does not hold, nor is in the process of obtaining, a license to use any intellectual property which is not registered in the name of our Company, pursuant to an agreement or otherwise.

Andrew Esdaile-Watts and Vincent Yeh (software designers) have entered into an employment arrangement with Southern Cross Protection Pty. Ltd., under which they have acknowledged that all rights and obligations in respect of intellectual property made or discovered during their employment is and will remaining the property of Southern Cross Protection Pty. Ltd. or its related entities.

Except as disclosed in the "*History and Certain Corporate Matters – Material Agreements*" on page 218, our Company has not entered into any agreements/ licenses pursuant to which any third party is entitled to use any intellectual property, including trademarks registered in our name.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Offer

- The Board, pursuant to its resolution dated July 27, 2016, authorised the Offer subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.
- The shareholders of our Company have, by a special resolution dated August 22, 2016, approved and authorised the Fresh Issue and authorised the Board and the IPO Committee to take decisions in relation to this Offer.
- The Offer for Sale has been authorised by the Selling Shareholders as set forth in "*The Offer*" on page 85.
- The Board has taken on record the Offer for Sale pursuant to its resolution dated September 26, 2016 and has approved the Red Herring Prospectus pursuant to its resolution dated July 19, 2017.
- Our Board has approved this Prospectus pursuant to its resolution dated August 4, 2017**.**
- In-principle approval for the listing of our Equity Shares from the NSE dated November 3, 2016.
- In-principle approval for the listing of our Equity Shares from the BSE dated October 14, 2016.

Prohibition by SEBI or other Authorities

We confirm that our Company, Promoters, members of the Promoter Group, Directors and Group Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any authorities. Each of the Selling Shareholders confirms that it has not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority.

Except for Jayanta Basu (as detailed below), none of our Directors are associated with the securities market in any manner, including securities market related business and no action have been initiated by SEBI against our Directors, or entities with which our Directors are involved in as promoters and/or directors.

Name of Director	**Jayanta Kumar Basu (associated by virtue of being a beneficiary of the AAJV Investment Trust)**
Name of entity	AAJV Investment Trust
SEBI Registration no.	IN/AIF2/12-13/0066
Date of registration	July 29, 2013
If registration has expired, reasons for non-renewal	Not applicable
Details of any enquiry/ investigation conducted by SEBI at any time	NIL
Penalty imposed by SEBI, if any	NIL
Outstanding fees payable to SEBI, if any	NIL

Other confirmations

None of our Company, the Selling Shareholders, our Directors, our Promoters, relatives of our Promoters (as defined in the Companies Act, 2013), members of our Promoter Group, Subsidiaries or Group Companies have been identified as wilful defaulters as defined under the SEBI ICDR Regulations. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Eligibility for the Offer

The Offer is being made pursuant to Regulation 26(2) of the SEBI ICDR Regulations. We undertake to comply with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer is proposed to be Allotted to QIBs and in the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

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 money shall be refunded. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI ICDR Regulations:

(i) Our Company, the Selling Shareholders, our Promoters, the members of our Promoter Group, persons in control of our Company and our Directors are not debarred from accessing the capital markets by SEBI;
(ii) The companies with which our Promoters, or our Directors or persons in control of our Company are or were associated as promoter or director or as person in control are not debarred from accessing capital markets under any order or direction passed by SEBI;
(iii) Our Company has received the in-principle approvals from the BSE and the NSE pursuant to their letters dated October 14, 2016 and November 3, 2016, respectively. For the purposes of this Offer, pursuant to a resolution of our Board, the NSE shall be the Designated Stock Exchange;
(iv) Our Company along with the Registrar to the Offer has entered into tripartite agreements dated April 16, 2008 and September 19, 2016 with the NSDL and CDSL, respectively, for dematerialisation of the Equity Shares; and
(v) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Prospectus.

Further, the entire requirement of funds towards objects of the Fresh Issue, other than working capital requirements, will be met from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGERS, BEING AXIS CAPITAL LIMITED, ICICI SECURITIES LIMITED, IIFL HOLDINGS LIMITED AND KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND THE BOOK RUNNING LEAD MANAGERS, BEING SBI CAPITAL MARKETS LIMITED, YES SECURITIES (INDIA) LIMITED AND IDBI CAPITAL MARKETS & SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND

DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS, AXIS CAPITAL LIMITED, ICICI SECURITIES LIMITED, IIFL HOLDINGS LIMITED AND KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND THE BOOK RUNNING LEAD MANAGERS, BEING SBI CAPITAL MARKETS LIMITED, YES SECURITIES (INDIA) LIMITED AND IDBI CAPITAL MARKETS & SECURITIES LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHARHEOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGERS, BEING AXIS CAPITAL LIMITED, ICICI SECURITIES LIMITED, IIFL HOLDINGS LIMITED AND KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND THE BOOK RUNNING LEAD MANAGERS, BEING SBI CAPITAL MARKETS LIMITED, YES SECURITIES (INDIA) LIMITED AND IDBI CAPITAL MARKETS & SECURITIES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 26, 2016, WHICH READS AS FOLLOWS:

WE, THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALIZATION OF THE DRAFT RED HERRING PROSPECTUS DATED SEPTEMBER 26, 2016 ("DRHP") PERTAINING TO THE SAID OFFER;

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:

(A) THE DRHP FILED WITH 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 SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(C) THE DISCLOSURES MADE IN THE DRHP 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 (AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE), THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. – <u>NOTED FOR COMPLIANCE</u>.

5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP.

6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRHP – COMPLIED WITH AND NOTED FOR COMPLIANCE.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER – NOT APPLICABLE.

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' (AND OBJECTS ANCILLARY TO THE MAIN OBJECTS) LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH, TO THE EXTENT APPLICABLE.

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT, 2013, AS NOTIFIED.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRHP 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 DEMATERIALIZED FORM ONLY.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRHP:

(A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

(B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD 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. –REFER TO ANNEXURE A.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRHP WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. –REFER TO ANNEXURE B.

16. WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKER BELOW (WHO IS RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR. – REFER TO ANNEXURE C.

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 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRHP, AS CERTIFIED BY M/S A. MITRA & ASSOCIATES, CHARTERED ACCOUNTANTS, STATUTORY AUDITOR OF COMPANY, PURSUANT TO ITS CERTIFICATE DATED SEPTEMBER 26, 2016.

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE). NOT APPLICABLE.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE ANY PERSON WHO HAS AUTHORISED THE ISSUE OF THE 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 PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE GCBRLMS AND THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

All legal requirements pertaining to this Offer were 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 this Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

Price information of past issues handled by the GCBRLMs and the BRLMs

A. Axis Capital Limited

1. Price information of past issues handled by Axis:

Sr. 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	Central Depository Services (India) Limited	5,239.91	149	30-Jun-17	250.00	+127.92%,[5.84%]	-	-
2.	Eris Lifesciences Limited	17,404.86	603[1]	29-Jun-17	611.00	+0.87%,[+5.37%]	-	-
3.	Tejas Networks Limited	7,766.88	257	27-Jun-17	257.00	+28.04%,[+5.35%]	-	-
4	S Chand And Company Limited	7,286	670.00	09-May-17	700.00	-17.37%,[+3.59%]	-	-
5.	Avenue Supermarts Limited	18,700	299	21-Mar-17	600.00	+145.08%, [-0.20%]	+166.35%,[+5.88%]	-
6.	BSE Limited	12,434.32	806	03-Feb-17	1085.00	+17.52%,[+2.55%]	+24.41%,[+6.53%]	+34.43%,[+15.72%]
7	Varun Beverages Limited	11,250.00	445	08-Nov-16	430.00	-7.72%,[-5.17%]	-9.36%,[+3.01%]	+10.60%,[+9.02%]
8.	Endurance Technologies Limited	11,617.35	472	19-Oct-16	572.00	+16.06%,[-6.69%]	+ 23.78%,[-2.84%]	+73.98%,[+5.55%]
9.	RBL Bank Limited	12,129.67	225	31-Aug-16	274.20	+27.07%,[-2.22%]	+56.98%,[-7.50%]	+107.91%,[+1.26%]
10.	Dilip Buildcon Limited	6,539.77	219	11-Aug-16	240.00	+5.11%,[+3.20%]	+1.53%,[-0.57%]	+22.12%,[+2.43%]

Source: www.nseindia.com

[1]*Price for eligible employees was ₹ 543.00 per equity share*

Notes:

1. *The CNX NIFTY is considered as the Benchmark Index.*
2. *Price on NSE is considered for all of the above calculations.*
3. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.*
4. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. Summary statement of price information of past issues handled by Axis:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018*	4	37,697.65	-	-	1	1	1	1	-	-	-	-	-	-
2016-2017	10	1,11,377.80	-	-	1	4	2	3	-	-	-	6	1	2
2015-2016	8	60,375.66	0	0	3	0	4	1	0	0	3	1	2	2

* *The information is as on the date of the document*

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

B. ICICI Securities Limited

1. Price information of past issues handled by ISEC:

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	VRL Logistics Limited	4,678.78	205.00	30-Apr-15	288.00	+50.90%, [+3.08%]	+85.49%, [+1.90%]	+100.90%, [+0.97%]
2	PNC Infratech Limited	4,884.41	378.00	26-May-15	387.00	+0.32%, [+0.26%]	+14.66%, [-6.36%]	+42.72%, [-5.88%]
3	Manpasand Beverages Limited	4,000.00	320.00	09-Jul-15	300.00	+23.20%, [+2.83%]	+36.53%, [-2.11%]	+58.34%, [-6.45%]
4	Sadbhav Infrastructure Project Limited	4,916.57	103.00	16-Sep-15	111.00	-2.28%, [+3.55%]	-5.63%, [-3.15%]	-14.56%,[-4.56%]
5	Teamlease Services Limited	4,236.77	850.00	12-Feb-16	860.00	+15.34%, [+7.99%]	+5.38%, [+12.43%]	+35.35%, [+24.31%]
6	Quick Heal Technologies Limited	4,512.53	321.00	18-Feb-16	305.00	-31.56%, [+5.74%]	-20.05%, [+9.72%]	-24.21%, [+20.17%]
7	Equitas Holdings Limited	21,766.85	110.00	21-Apr-16	145.10	+34.64%, [-2.05%]	+57.91%, [+7.79%]	+63.77%, [+7.69%]
8	Thyrocare Technologies Limited	4,792.14	446.00	09-May-16	665.00	+36.85%, [+5.09%]	+22.57%, [+10.75%]	+39.09%, [+7.22%]
9	Ujjivan Financial Services Limited	8,824.96	210.00	10-May-16	231.90	+72.38%, [+4.88%]	+115.38%, [+10.44%]	+103.93%, [+7.72%]
10	Quess Corp Limited	4,000.00	317.00	12-Jul-16	500.00	+73.60%, [+0.64%]	+94.59%, [+2.20%]	+110.36%, [-3.34%]
11	Larsen & Toubro Infotech Limited	12,363.75	710.00 (1)	21-Jul-16	667.00	-6.39%, [+1.84%]	-12.44%, [+1.97%]	-4.21%, [-1.14%]
12	Advanced Enzyme Technologies Limited	4,114.88	896.00 (2)	01-Aug-16	1,210.00	+56.24%, [+1.24%]	+148.91%, [-0.13%]	+101.14%, [+0.05%]
13	RBL Bank Limited	12,129.67	225.00	31-Aug-16	274.20	+27.07%, [-2.22%]	+56.98%, [-7.50%]	+107.91%, [+1.26%]
14	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	29-Sep-16	330.00	-7.60%, [+0.54%]	-11.54%, [-6.50%]	+12.31%, [+5.28%]
15	HPL Electric & Power Limited	3,610.00	202.00	04-Oct-16	190.00	-14.75%, [-2.91%]	-51.19%, [-6.72%]	-37.77%, [+5.34%]
16	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%]
17	Music Broadcast Limited	4,885.29	333.00	17-Mar-17	413.00	+4.58%, [-0.23%]	+4.19%, [+5.00%]	-
18	Avenue Supermarts Limited	18,700.00	299.00	21-Mar-17	600.00	+145.08%, [-0.20%]	+166.35%, [+5.88%]	-
19	Housing and Urban Development Corporation Limited	12,095.70	60.00(2)	19-May-17	73.00	+13.17%, [+2.44%]	-	-
20	AU Small Finance Bank Limited	19,125.14	358.00	10-Jul-17	530.00	-	-	-

(1) Discount of Rs. 10 per equity share offered to retail investors. All calculations are based on Issue Price of Rs. 710.00 per equity share.

(2) Discount of Rs. 86 per equity share offered to Eligible Employees. All calculations are based on Issue Price of Rs. 896.00 per equity share.

(3) Discount of Rs.2 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of Rs. 60.00 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 ISEC:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	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	2	31,220.84	-	-	1	-	-	-	-	-	-	-	-	-
2016-17	12	160,855.45	-	-	3	4	4	1	-	1	1	6	2	-
2015-16	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-

C. IIFL Holdings Limited

1. Price information of past issues handled by IIFL:

Sr. 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	Manpasand Beverages Limited	4,000.00	320.00	July 9, 2015	300.00	+23.2%, [+2.4%]	+31.5%, [-2.2%]	+58.6%, [-6.9%]
2	Power Mech Projects Limited	2,732.16	640.00	August 26, 2015	600.00	-9.4%, [-0.2%]	-2.8%, [-0.6%]	-10.6%, [-8.2%]
3	Precision Camshafts Limited	4,101.90	186.00	February 8, 2016	165.00	-15.0%, [+0.6%]	-20.8%, [+3.3%]	-20.1%, [+15.9%]
4	Healthcare Global Enterprises Limited	6,496.40	218.00	March 30, 2016	210.20	-15.9%, [+3.3%]	-17.4%, [+7.0%]	-1.3%, [+14.8%]
5	Ujjivan Financial Services Limited	8,824.96	210.00	May 10, 2016	231.90	+74.1%, [+4.3%]	+115.4%, [+10.7%]	+98.3%, [+7.2%]
6	Quess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+67.9%, [+1.5%]	+94.6%, [+2.8%]	+110.8%, [-2.6%]
7	Dilip Buildcon Limited	6,539.77	219.00	August 11, 2016	240.00	+5.1%, [3.4%]	-3.9%, [-1.7%]	+20.3%, [+2.3%]
8	RBL Bank Limited	12,129.67	225.00	August 31, 2016	274.20	+29.4%, [-1.5%]	59.8%, [-6.9%]	+107.9%, [+1.7%]
9.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	333.00	-7.6%, [-1.2%]	-11.6%, [-8.1%]	+11.3%, [+4.1%]

Source: www.nseindia.com

***Note**: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index a day prior to the listing date. NA means Not Applicable.*

2. Summary statement of price information of past issues handled by IIFL:

Financial Year	Total no. of IPOs[(1)]	Funds raised (₹ Mn.)	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%
2014-15	NA	NA	-	-	-	-	-	-	-	-	-	-	-	-
2015-16	4	17,330.46	-	-	3	-	-	1	-	-	3	1	-	-
2016-17	5	92,062.31	-	-	1	2	1	1	-	-	-	3	1	1
2017-18	NA	NA	-	-	-	-	-	-	-	-	-	-	-	-

1. *Based on the day of listing*

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

D. Kotak Mahindra Capital Company Limited

1. Price information of past issues handled by Kotak:

Sr. No.	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % 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.	CL Educate Limited	238.95	502	31-Mar-17	402.00	-8.98%[+ 1.42%]	-15.36%[+3.46%]	-
2.	Avenue Supermarts Limited	1,870.00	299	21-Mar-17	600.00	+145.08%[- 0.33%]	+167.59%[+4.97%]	-
3.	Laurus Labs Limited(1)	1,330.50	428	19-Dec-16	489.90	+11.44%[+3.62%]	+23.97%[+13.03%]	+41.43%[+18.31%]
4.	Varun Beverages Limited	1,112.50	445	8-Nov-16	430.00	-7.72%[-5.17%]	-11.49%[+2.31%]	+8.89%[+8.68%]
5.	PNB Housing Finance Limited(2)	3,000.00	775	7-Nov-16	860.00	+11.70%[-4.16%]	+21.28%[+2.87%]	+70.50%[+9.28%]
6.	L&T Technology Services Limited	894.40	860	23-Sep-16	920.00	-0.85%[-1.57%]	-8.54%[-8.72%]	-9.55%[+3.28%]
7.	RBL Bank Limited	1,212.97	225	31-Aug-16	274.20	+27.07%[-2.22%]	+56.98%[-7.50%]	+103.07%[+1.74%]
8.	Larsen & Toubro Infotech Limited(3)	1,236.38	710	21-Jul-16	667.00	-6.39%[+1.84%]	-12.44%[+1.97%]	-4.21%[-1.14%]
9.	Mahanagar Gas Limited(4)	1,038.88	421	1-Jul-16	540.00	+20.86%[+3.72%]	+57.15%[+5.00%]	+83.71%[-3.55%]
10.	Parag Milk Foods Limited(5)	750.54	215	19-May-16	217.50	+17.07%[+4.97%]	+48.67%[+11.04%]	+38.93%[+6.59%]
11.	Ujjivan Financial Services Limited	882.50	210	10-May-16	231.90	+72.38%[+4.88%]	+120.90%[+10.08%]	+98.31%[+6.92%]
12.	Healthcare Global Enterprises Limited	649.64	218	30-Mar-16	210.20	-15.32%[+1.45%]	-19.98%[+4.65%]	-1.31%[+14.17%]
13.	Dr. Lal PathLabs Limited(6)	631.91	550	23-Dec-15	720.00	+32.54%[-7.49%]	+66.95% [-2.06%]	+63.13% [+3.87%]
14.	S H Kelkar and Company Limited	508.17	180	16-Nov-15	223.70	+21.69%[-1.35%]	+20.78%[-10.58%]	+24.97% [+0.11%]
15.	Interglobe Aviation Limited(7)	3,008.50	765	10-Nov-15	855.80	+32.39%[-2.20%]	+9.41%[-3.78%]	+40.59% [-0.64%]
16.	Coffee Day Enterprises Limited	1,150.00	328	2-Nov-15	317.00	-21.42%[-1.19%]	-19.73%[-6.05%]	-20.98% [-2.50%]
17.	Sadbhav Infrastructure Project Limited	491.66	103	16-Sep-15	111.00	-2.28% [+3.55%]	-5.63%[-3.15%]	-12.67% [-4.92%]
18.	Power Mech Projects Limited	273.22	640	26-Aug-15	600.00	-9.36% [+0.98%]	-4.63%[+0.74%]	-10.65% [-7.15%]
19.	Manpasand Beverages Limited	400.00	320	9-Jul-15	300.00	+23.20% [+2.83%]	+36.53% [-2.11%]	+58.34% [-6.45%]
20.	Adlabs Entertainment Limited(8)	374.59	180	6-Apr-15	162.20	-18.36% [-3.87%]	-12.08% [-2.02%]	-38.39% [-8.19%]
21.	Ortel Communications Limited	173.65	181	19-Mar-15	160.05	-3.67% [-0.33%]	-5.91% [-6.80%]	+12.21% [-8.83%]

Source: www.nseindia.com

Notes:

1. *In Laurus Labs Limited, the issue price to employees was ₹388 per equity share after a discount of ₹40 per equity share. The Anchor Investor Issue price was ₹428 per equity share.*
2. *In PNB Housing Finance Limited, the issue price to employees was ₹700 per equity share after a discount of ₹75 per equity share. The Anchor Investor Issue price was ₹775 per equity share.*
3. *In Larsen & Toubro Infotech Limited, the issue price to retail individual investor was ₹700 per equity share after a discount of ₹10 per equity share. The Anchor Investor Issue price was ₹710 per equity share.*
4. *In Mahanagar Gas Limited, the issue price to employees was ₹383 per equity share after a discount of ₹38 per equity share. The Anchor Investor Issue price was ₹421 per equity share.*
5. *In Parag Milk Foods Limited , the issue price to retail individual investor and employees was ₹203 per equity share after a discount of ₹12 per equity share. The Anchor Investor Issue price was ₹227 per equity share.*
6. *In Dr. Lal PathLabs Limited, the issue price to retail individual investor was ₹535 per equity share after a discount of ₹15 per equity share. The Anchor Investor Issue price was ₹550 per equity share.*
7. *In Interglobe Aviation Limited, the issue price to employees was ₹688.50 per equity share after a discount of ₹76.5 per equity share. The Anchor Investor Issue price was ₹765 per equity share.*
8. *In Adlabs Entertainment Limited, the issue price to retail individual investor was ₹168 per equity share after a discount of ₹12 per equity share. The Anchor Investor Issue price was ₹221 per equity share.*
9. *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.*
10. *Nifty is considered as the benchmark index.*

2. Summary statement of price information of past issues handled by Kotak:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	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%
2016-2017	11	13,567.63	-	-	4	2	1	4	-	-	2	4	2	1
2015-2016	9	7,487.69	-	-	5	-	2	2	-	1	4	2	1	1
2014-2015	1	173.65	-	-	1	-	-	-	-	-	-	-	-	1

E. SBI Capital Markets Limited

1. Price information of past issues handled by SBICAP:

Sr. 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	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+128.19% [+5.84%]	NA	NA
2	Housing and Urban Development Corporation Limited	12,095.70	60.00	May 19, 2017	73.45	13.08% [2.78%]	NA	NA
3	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	604.40	145.03% [-0.50%]	165.17% [6.19%]	NA
4	BSE Limited	124,34.32	806.00	February 03, 2017	1085.00	17.52% [2.55%]	24.41% [6.53%]	NA
5	Laurus Labs Limited	13,305.10	428.00	December 19, 2016	490.00	11.50% [3.26%]	23.36% [11.92%]	40.98% [17.75%]
6	HPL Electric & Power Limited	3,610.00	202.00	October 04, 2016	190.00	-14.75% [-2.91%]	-51.19% [-6.72%]	-37.77% [5.34%]
7	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%, [+0.54%]	-11.54% [-6.50%]	12.31% [+5.28%]
8	L&T Technology Services Limited	8,944.00	860.00	September 23, 2016	920.00	-1.09% [-1.39%]	-8.54% [-8.72%]	-9.55% [+3.28%]
9	RBL Bank Limited	12,129.67	225.00	August 31, 2016	274.20	+27.07% [-2.22%]	+56.98% [-7.50%]	107.91% [1.26%]
10	Infibeam Incorporation Limited	4,500.00	432.00	April 4, 2016	458.00	+20.37% [-0.67%]	+61.31% [+7.40%]	+106.49% [+9.56%]
11	Precision Camshafts Limited	4,101.90	186.00	February 8, 2016	163.10	-14.68% [+1.53%]	-20.43% [+5.77%]	-20.32% [15.61%]
12	Prabhat Dairy Limited	3,561.88	115.00	September 21, 2015	115.00	+11.78% [+3.57%]	+30.83% [-1.79%]	-5.48% [-4.67%]
13	Navkar Corporation Limited	6,000.00	155.00	September 9, 2015	152.00	+0.71% [+4.38%]	+25.81% [-0.74%]	+6.13% [-4.12%]

Source: www.nseindia.com, www.bseindia.com

Notes:

1. *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the next trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*
2. *The designated exchange for the issue has been considered for the price, benchmark index and other details.*

2. Summary statement of price information of past issues handled by SBICAP:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	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	2	17,335.61	-	-	-	1	-	1	-	-	-	-	-	-
2016-17	7	129,691.00	-	-	3	1	1	2	-	1	1	1	1	1
2015-16*	4	18,163.78	-	-	1	-	-	3	-	-	2	1	-	1

* *Based on issue closure date*

F. Yes Securities (India) Limited

1. Price information of past issues handled by Yes Securities:

Sr. No.	Issue Name	Issue Size (Rs. million)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (in Rs.)	+/- % 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	Quess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+67.93% - change in closing price; +0.83% - change in closing benchmark	+94.59% - change in closing price; +2.20% - change in closing benchmark	+110.36% - change in closing price; -3.34% - change in closing benchmark
2	Varun Beverages Limited	11,125.00	445.00	November 08, 2016	430.00	-5.00% - change in closing price; -3.47% - change in closing benchmark	-9.36% - change in closing price; +3.01% - change in closing benchmark	+10.60% - change in closing price; +9.02% - change in closing benchmark
3	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+127.92% - change in closing price; +5.84% - change in closing benchmark	-	-
4	GTPL Hathway Limited	4,848.00	170.00	July 4, 2017	170.00	-13.32% - change in closing price; +4.16% - change in closing benchmark	-	-

Notes:

1. *Benchmark Index taken as CNX NIFTY*
2. *Price on NSE is considered for all of the above calculations*
3. *% change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index on the day of the listing date.*
4. *The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days. If either of the 30th, 90th or 180th calendar days is a trading holiday, the next trading day has been considered for the computation.*

2. Summary statement of price information of past issues handled by Yes Securities:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	2	10,087.91	-	-	1	1	-	-	-	-	-	-	-	-
2016-2017	2	15,125.00	-	-	1	1	-	-	-	-	-	1	-	1
2015-2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. *Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date.*
2. *The information for the financial year is based on issue listed during such financial year.*

G. IDBI Capital Markets & Securities Limited

1. Price information of past issues handled by IDBI Capital:

Sr. 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.	Central Depository Services (India) Limited	5,239.9	149	June 30, 2017	250.00	+128.19% (+5.84%)	Not Applicable	Not Applicable
2.	Housing and Urban Development Corporation Limited	12,098	60.00	May 19, 2017	73.00	+13.17% (+2.44%)	Not Applicable	Not Applicable
3.	MEP Infrastructure Developers Limited	3,240	63.00	06-May- 15	65.00	-15.71% (+0.42%)	-8.57% (+5.51%)	-13.49% (-0.57%)

Notes:

1. *Source: www.nseindia.com for the price information*
2. *Wherever 30th/ 90th/ 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.*

2. Summary statement of price information of past issues handled by IDBI Capital:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	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%
2016 – till date	2	17,337.9	-	-	-	1	-	1	-	-	-	-	-	-
2015-16	1	3,240	-	-	1	-	-	-	-	-	1	-	-	-
2014-15	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Track record of past issues handled by the GCBRLMs and the BRLMs

For details regarding the track record of the GCBRLMs and the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the GCBRLMs and the BRLM, as set forth in the table below:

Sr. No	Name of the GCBRLM/ BRLM	Website
1.	Axis Capital Limited	http://www.axiscapital.co.in
2.	ICICI Securities Limited	http://www.icicisecurities.com
3.	IIFL Holdings Limited	http://www.iiflcap.com
4.	Kotak Mahindra Capital Company Limited	http://investmentbank.kotak.com/track-record/Disclaimer.html
5.	SBI Capital Markets Limited	http://www.sbicaps.com
6.	Yes Securities (India) Limited	http://www.yesinvest.in
7.	IDBI Capital Markets & Securities Limited	http://www.idbicapital.com

Disclaimer from our Company, the Selling Shareholders, our Directors and the GCBRLMs and the BRLMs

Our Company, the Selling Shareholders, our Directors and the GCBRLMs and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance. It is clarified that the Selling Shareholders, its directors, affiliates, associates, and officers accept no responsibility for any statements made other than those specifically made by the Selling Shareholders in relation to such Selling Shareholders and the Offered Shares. Anyone placing reliance on any other source of information, including our Company's website www.sisindia.com or the respective websites of any of our Promoters, Promoter Group, Subsidiaries, Group Companies or of any affiliate of our Company and the Selling Shareholders, would be doing so at his or her own risk.

Caution

The GCBRLMs and the BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement entered into between our Company, the Selling Shareholders and the GCBRLMs and the BRLMs and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the GCBRLMs and the BRLMs to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Syndicate Bidding Centres or elsewhere.

None among our Company, the Selling Shareholders or any of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and that they shall not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The GCBRLMs and the BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for our Company, the Selling Shareholders, Promoters, members of our Promoter Group, Group Companies, Subsidiaries, or their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, Selling Shareholders, Promoters, members of our Promoter Group, Group Companies, Subsidiaries or their respective directors, affiliates or associates, for which they have received, and may in the future receive, compensation.

Any Non-Resident investor Bidding in the Offer shall be deemed to have represented, acknowledged and agreed that it is eligible to invest as (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Security Regulations in the Offer, subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company; or as (ii) Eligible NRIs Bidding under Schedule 4 of the FEMA Security Regulations.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, NBFC-SIs, state industrial development corporations, insurance companies registered with IRDA, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at New Delhi, India only.

Pursuant to Press Note 5 issued by the DIPP, subject to compliance with PSARA, a private security agency is permitted to have FDI up to 74% wherein FDI up to 49% is permitted under the automatic route and beyond 49% and up to 74% is permitted under the government route. While Press Note 5 was issued in June 2016, corresponding amendments in the permissible FDI limits for private security companies have not been made in Schedule I of the FEMA Security Regulations (which set forth terms, conditions, limits and routes of foreign investment applicable to Indian companies) till date. In particular, while the FEMA Security Regulations were amended in December 2016 to conform to the revised limits for most other sectors under Press Note 5, amendments to FDI limits for private security companies under Press Note 5 have not been enacted. In the absence of a formal amendment to the FEMA Security Regulations, our Company does not propose to raise any foreign capital in the Offer through the FDI route.

In accordance with the FDI Policy and Press Note 8 issued by the DIPP, participation by Non-Residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Security Regulations in the Offer, subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company; and (ii) Eligible NRIs under Schedule 4 of the FEMA Security Regulations.

By a resolution of the its board dated December 16, 2016 and a resolution of its shareholders dated January 14, 2017, our Company has increased the aggregate limits of its shareholding by FPIs (and erstwhile Foreign Institutional Investors) to 49%, and of NRIs (on a repatriation basis, for post-listing liquidity) to 24% of its paid-up Equity Share capital. We have intimated the increase of these limits to the RBI, as required under the FEMA Security Regulations and the FDI Circular and the RBI has notified the increase of these limits pursuant to a press release on April 18, 2017.

This Prospectus does not constitute an offer to sell or an invitation to subscribe Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus was filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and the Selling Shareholders from the date thereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Disclaimer Clause of BSE

BSE Limited ("**the Exchange**") has given vide its letter dated October 14, 2016, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinised this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

(a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
(b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
(c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or ommitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/92598 dated November 03, 2016 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

A copy of the Draft Red Herring Prospectus was filed with SEBI at the Securities and Exchange Board of India, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been delivered for registration to the RoC and a copy of this Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the RoC situated at the address mentioned below:

Registrar of Companies, Bihar and Jharkhand (Patna)
Maurya Lok Complex, Block A
Western Wing, 4th Floor
Dak Banglow Road
Patna – 800 001
Bihar, India

Listing

The Equity Shares issued through the Red Herring Prospectus and this Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Offer. The NSE is the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholders will forthwith repay, all monies received from the applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date or within such other period as may be prescribed. If our Company does not allot Equity Shares within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest the application money, failing which interest shall be paid to the Bidders at the rate of 15% per annum for the delayed period. The Selling Shareholders confirms that it shall extend complete co-operation required by our Company and the GCBRLMs 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.

Consents

Consents in writing of (a) the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officers, the GCBRLMs, the BRLMs, Auditors, legal counsels, bankers to our Company, lenders to our Company, Freedonia, Frost & Sullivan, our Statutory Auditor and the Registrar to the Offer have been obtained; and consents in writing of (b) the Syndicate Members, the Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013. Further, consents received prior to filing of this Prospectus have not been withdrawn up to the time of delivery of this Prospectus for registration with the RoC.

Expert to the Offer

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

As required under Section 26(1)(a)(v) of the Companies Act, 2013, our Company has received written consent from our Auditors namely M/s A. Mitra & Associates, Chartered Accountants, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their (a) reports, both dated May 31, 2017 on the Restated Standalone Financial Statements and the Restated Consolidated Financial Statements, (b) report dated July 8, 2017, on the statement of possible tax benefits available for the Company and its shareholders, (c) report dated July 8, 2017 on the Proforma Financial Statements; and (d) report dated July 8, 2017 on certain financial information of Dusters, all of which have been included in this Prospectus.

Such consent has not been withdrawn as on the date of this Prospectus.

Offer related expenses

The expenses of the Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For details of the Offer expenses, see "*Objects of the Offer*" on page 131.

All Offer related expenses (other than listing fees) shall be shared by our Company and the Selling Shareholders in proportion to the number of Equity Shares being issued or offered, as the case may be, by each of them in the Fresh Issue and the Offer for Sale, in accordance with applicable law. Any payments by our Company in relation to the Offer on behalf of the Selling Shareholders shall be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by each of the Selling Shareholders in the Offer.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expenses) will be as per the Syndicate Agreement, a copy of which will be available for inspection at our Registered Office and our Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. For details of the Offer expenses, see "*Objects of the Offer*" on page 131.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, RTAs and CDPs, see "*Objects of the Offer*" on page 131.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Registrar Agreement, a copy of which will be available for inspection at our Registered Office and our Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

The Registrar to the Offer shall be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post/ordinary post.

Public or rights issues by our Company during the last five years

Except as stated in "*Risk Factors – We have made certain issuances and allotments of our equity shares which are not in compliance of section 67(3) of the Companies Act, 1956.*" and "*Capital Structure*" on pages 24 and 100, respectively, our Company has not made any public or rights issues during the five years immediately preceding the date of this Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed in the "*Capital Structure*" on page 100, our Company has not issued any specified securities for consideration otherwise than for cash.

Performance vis-à-vis objects

Except as stated in "*Risk Factors - We have made certain issuances and allotments of our equity shares in violation of section 67(3) of the Companies Act, 1956.*" and "*Capital Structure*" on pages 24 and 100, respectively, our Company has not undertaken any public or rights issue during the last ten years preceding the date of this Prospectus. As stated in the aforementioned risk factor, these public offerings were not made in furtherance of a prospectus, and accordingly, there were no objects of these offerings.

Performance vis-à-vis objects – Last issue of Group Companies, Subsidiaries or Associates

None of our Subsidiaries or Group Companies has undertaken any public or rights issue in the ten years preceding the date of this Prospectus. Accordingly, the requirement to disclose performance vis-à-vis objects in respect of earlier offerings does not apply to our Subsidiaries or our Group Companies.

Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares

Since this is an initial public offer 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 any of the Equity Shares since our Company's incorporation.

Previous capital issue during the previous three years by listed Group Companies and Subsidiaries/associates of our Company

None of our Subsidiaries or Group Companies is listed on any stock exchange in India or overseas. Accordingly, the requirement to disclose details of previous issues by listed Group Companies or Subsidiaries or Associates does not apply.

Outstanding debentures, bonds, redeemable preference shares or other instruments

Other than (a) outstanding stock options granted to our employees pursuant to ESOP 2008 and ESOP 2010 as disclosed in "*Capital Structure*" on page 100, and (b) rupee denominated bonds issued by our Company as disclosed in "*Financial Indebtedness*" on page 464, our Company does not have any outstanding debentures, bonds, redeemable preference shares or other instruments as on the date of this Prospectus.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of this Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Prospectus.

Stock Market Data of Equity Shares

The Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for 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 date of commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

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

Investors may contact the GCBRLMs and the BRLMs for any complaints pertaining to the Offer. All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder and the ASBA Account number in which the amount equivalent to the Bid Amount is blocked.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the GCBRLMs, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of the Designated Intermediaries including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 15 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 Ravindra Kishore Sinha, Ashok Kumar Mattoo and Amrendra Prasad Verma as members. For details, see "*Our Management*" on page 251.

Our Company has appointed Pushpa Latha Katkuri as the Company Secretary and Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

106, Ramanashree Arcade
18 M.G. Road
Bengaluru – 560 001, Karnataka
Telephone: +91 80 2559 0801
Facsimile: +91 80 2559 0804
E-mail: pushpalatha.k@sisindia.com

Disposal of investor grievances by listed companies under the same management

As on the date of this Prospectus, none of our Subsidiaries or Group Companies is listed on any stock exchange. Accordingly, the requirement to disclose details of investor grievances by listed companies under the same management as our Company does not apply.

Changes in Auditors

There have been no changes in the auditors of our Company during the last three years immediately preceding the date of this Prospectus.

Capitalisation of Reserves or Profits

Except for issuance of Equity Shares pursuant to bonus issues, as disclosed in "*Capital Structure*" on page 100, our Company has not capitalised its reserves or profits at any time during the last five years preceding the date of this Prospectus.

Revaluation of Assets

Our Company has not revalued its assets at any time during the five years preceding the date of this Prospectus.

See "*History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets*" on page 215 for details of revaluation of assets undertaken by our Company prior to the last five years.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and transferred pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, this Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice, the SEBI Listing Regulations and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by the SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

Offer for Sale

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. The object of the Offer for Sale is to allow the Selling Shareholders to sell an aggregate of 5,120,619* Equity Shares held by them, aggregating ₹ 4,173.40 million*. All Offer related expenses shall be shared by our Company and the Selling Shareholders in proportion to the number of Equity Shares being issued or offered, as the case may be, by each of them in the Fresh Issue and the Offer for Sale, in accordance with applicable law. Any payments by our Company in relation to the Offer on behalf of the Selling Shareholders shall be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by each of the Selling Shareholders in the Offer.

* *Subject to finalisation of the Basis of Allotment*

Ranking of the Equity Shares

The Equity Shares being offered and transferred in the Offer shall be subject to the provisions of the Companies Act, 2013, Companies Act, 1956 (to the extent applicable), our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of the Articles of Association*" on page 594.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum and Articles, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Main Provisions of the Articles of Association"* on pages 286 and 594, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 10 each. The Floor Price of Equity Shares was ₹ 805 per Equity Share, the Cap Price was ₹ 815 per Equity Share and the Offer Prtice is ₹ 815 per Equity Share . The Anchor Investor Offer Price is ₹ 815 per Equity Share. The Price Band and minimum Bid lot size for the Offer have been decided by our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, and were advertised all editions of the English daily newspaper Financial Express, all editions of the Hindi daily newspaper Jansatta and the Patna edition of Hindi newspaper, Business Standard (Hindi being the regional language in the state where the registered office of our Company is located), each with wide circulation, respectively, at least five Working Days prior to the Bid/ Offer Opening Date and were made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the

Floor Price and at the Cap Price, were pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price has been determined by our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- The right to receive dividends, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting';
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see "*Main Provisions of the Articles of Association*" on page 594.

Option to receive Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus could be applied for in the dematerialised form only.

Market Lot and Trading Lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of 18 Equity Shares, subject to a minimum Allotment of 18 Equity Shares. See *"Offer Procedure – Part B – General Information Document for Investing in Public Issues - Allotment Procedure and Basis of Allotment"* on page 581.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of New Delhi, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Offer Structure – Bid/Offer Programme*" on page 540.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debenture) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our 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, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If investors wish to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer equivalent to at least 10% post-Offer paid up Equity Share capital of our Company (the minimum number of securities as specified under Rule 19(2)(b)(iii) of the SCRR), including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law. The Selling Shareholders shall reimburse to our Company, on a pro-rata basis, any expense incurred by our Company on their behalf with regard to refunds, interest for delays, etc., for the Equity Shares being offered in the Offer in proportion of the Equity Shares offered for sale pursuant to the Offer provided that subject to applicable law, a Selling Shareholder shall not be responsible to reimburse any interest unless such delay has been caused by such Selling Shareholder, in which case the Company shall be responsible for payment of such interest.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(iii) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids.

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.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the minimum Promoters' contribution and Allotments made to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 100 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" at page 594.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act.

Option to receive Equity Shares in dematerialised form

Allotment of Equity Shares will only be in dematerialised form. The Equity Shares will be traded on the dematerialised segment of the Stock Exchanges.

OFFER STRUCTURE

Initial public offering of 9,565,404* Equity Shares for cash at a price of ₹ 815 per Equity Share (including a share premium of ₹ 805 per Equity Share) aggregating to ₹ 7,795.80 million*, comprising of a Fresh Issue of 4,444,785* Equity Shares aggregating to ₹ 3,622.50 million* by our Company and an Offer for Sale of 5,120,619* Equity Shares aggregating to ₹ 4,173.30 million* by the Selling Shareholders, comprising of an offer for sale of 3,402,764* Equity Shares aggregating up to ₹ 2,773.25 million* by Theano, an offer for sale of 68,336* Equity Shares aggregating to ₹ 55.69 million* by AAJV, an offer for sale of 786,517* Equity Shares aggregating to ₹ 641.01 million* by Ravindra Kishore Sinha, an offer for sale of 524,345* Equity Shares aggregating to ₹ 427.34 million* by Rituraj Kishore Sinha and an offer for sale of 338,657* Equity Shares aggregating to ₹ 276.01 million* by Other Selling Shareholders. This Offer constitutes 13.07% of the post-Offer paid-up capital of our Company.

**Subject to finalisation of the Basis of Allotment.*

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)	At least 7,174,054 Equity Shares.	Not more than 1,434,810 Equity Shares or Offer less allocation to QIB Bidders and Retail Individual Bidders were available for allocation.	Not more than 956,540 Equity Shares or Offer less allocation to QIB Bidders and Non-Institutional Bidders were available for allocation.
Percentage of Offer size available for Allotment/allocation	At least 75% of the Offer shall be Allotted to QIB Bidders. However, 5% of the Net QIB Portion were available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion were also eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation was available for allocation to QIBs.	Not more than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders were available for allocation.	Not more than 10% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders were available for allocation.
Basis of Allotment if respective category is oversubscribed(3)	Proportionate as follows (excluding the Anchor Investor Portion): (a) 1,434,811 Equity Shares were available for allocation on a proportionate basis to Mutual Funds; and (b) 2,869,622 Equity Shares were Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. Our Company and the Investor Selling Shareholders, in consultation with the	Proportionate.	Allotment to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. For further details, see "*Offer Procedure – Part B – General Information Document for Investing in Public Issues – Allotment Procedure and Basis of Allotment – Allotment to RIIs*" on page 581.

Particulars	QIBs[(1)*]	Non-Institutional Bidders[*]	Retail Individual Bidders[*]
	GCBRLMs and the BRLMs, allocated 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 was available for allocation to Mutual Funds only.		
Minimum Bid	Such number of Equity Shares in multiples of 18 Equity Shares so that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares in multiples of 18 Equity Shares so that the Bid Amount exceeds ₹ 200,000.	18 Equity Shares.
Maximum Bid	Such number of Equity Shares in multiples of 18 Equity Shares so that the Bid does not exceeds the size of the Offer, subject to applicable limits.	Such number of Equity Shares in multiples of 18 Equity Shares so that the Bid does not exceeds the size of the Offer, subject to applicable limits.	Such number of Equity Shares in multiples of 18 Equity Shares so that the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.		
Bid Lot	18 Equity Shares and in multiples of 18 Equity Shares thereafter.	18 Equity Shares and in multiples of 18 Equity Shares thereafter.	18 Equity Shares and in multiples of 18 Equity Shares thereafter.
Allotment Lot	A minimum of 18 Equity Shares and thereafter in multiples of one Equity Share.	A minimum of 18 Equity Shares and thereafter in multiples of one Equity Share.	A minimum of 18 Equity Shares and thereafter in multiples of one Equity Share, subject to availability in the Retail Portion.
Trading Lot	One Equity Share.		
Who can Apply[(3)]	Mutual Funds, Venture Capital Funds, AIFs, FPIs (other than Category III FPIs) public financial institution as defined in Section 2(72) of the Companies Act, 2013, a scheduled commercial bank, NBFC-SI, state industrial development corporation, insurance company registered with the Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, trusts and Category III FPIs.	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.
Terms of Payment	The entire Bid Amount was payable at the time of submission of Anchor Investor Application Form by Anchor Investors[(4)]. In case of ASBA Bidders, the SCSB was authorised to block the Bid Amount mentioned in the ASBA Form.		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process.	Only through the ASBA process.

[(1)] *Our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, allocated 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to* *valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For details, see "Offer Procedure" beginning on page 542.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b)(iii) of the SCRR read with Regulations 41 and 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be Allotted on a proportionate basis to QIBs, provided that our Company, the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, have allocated 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 was reserved for domestic Mutual Funds subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. The number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) were available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was made available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/unblocked forthwith. Further, not more than 15% of the Offer was made available for allocation on a proportionate basis to Non Institutional Bidders and not more than 10% of the Offer was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the GCBRLMs and the BRLMs, and the Designated Stock Exchange, on 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 a combination of categories.

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in date as mentioned in the CAN. In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.*

Please note that other than FPIs (investing under Schedule 2A of the FEMA Security Regulations) and Eligible NRIs (applying on a non-repatriation basis in accordance with Schedule 4 of the FEMA Security Regulations), Non-Residents are not permitted to participate in this Offer.

Bid/Offer Programme*

BID/ OFFER OPENED ON	**JULY 31, 2017**
BID/ OFFER CLOSEDON	**AUGUST 2, 2017**

* *Our Company and the Investor Selling Shareholders in consultation with the GCBRLMs and BRLMs, allowed participation by Anchor Investors. The Anchor Investors Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about August 7, 2017
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	On or about August 8, 2017
Credit of the Equity Shares to depository accounts of Allottees	On or about August 9, 2017
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about August 10, 2017

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the GCBRLMs and the BRLMs. While our Company and Selling Shareholders 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 such period as may be prescribed, the timetable may change due to various factors, including any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirms that it shall extend complete co-operation required by our Company, the GCBRLMs 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.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids were accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time ("**IST**")) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

(i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids were accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST);

(ii) on the Bid/Offer Closing Date:

(a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids were accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

(b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids were accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may have been extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by GCBRLMs and the BRLMs to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that could not be uploaded on the electronic bidding system would not be considered for allocation under this Offer. Bids were accepted only on Working Days. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders were to be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Selling Shareholders, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

*All Bidders should review the 'General Information Document for Investing in Public Issues' prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("**General Information Document**") included below under sub-section titled "– 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 various enactments and regulations as well as amendments to existing regulations, to the extent applicable to the Offer. The General Information Document is also available on the websites of the Stock Exchanges, the GCBRLMs and BRLMs. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.*

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be Allotted on a proportionate basis to QIBs. Our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs have allocated 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 was reserved for domestic Mutual Funds subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Such number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) were available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was made available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/unblocked forthwith. Further, not more than 15% of the Offer was made 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 from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the GCBRLMs, the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable law. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In accordance with Rule 19(2)(b)(iii) of the SCRR, the Offer will constitute at least 10% of the post Offer paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

All Bidders (other than Anchor Investors) are required to mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

Copies of the ASBA Forms and the Abridged Prospectus were made available with the Designated Intermediaries at the Bidding Centres and at our Registered Office and Corporate Office. Electronic copies of the ASBA Forms were also available for download on the websites of the Stock Exchanges, namely, NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid/Offer Opening Date. Anchor Investor Application Forms were available at the offices of the GCBRLMs and the BRLMs at least one day prior to the Anchor Investor Bidding Date.

All Bidders (other than Anchor Investors) shall ensure that their Bids are made on ASBA Forms bearing the stamp of a Designated Intermediary and submitted at the Bidding centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Additionally, ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and ASBA Forms that do not contain such details are liable to be rejected. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis **	White
Non-Residents including FPIs **	Blue
Anchor Investors***	White

* *Excluding electronic Bid cum Application Forms.*

** *Electronic Bid cum Application forms were also available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

*** *Bid cum Application Forms for Anchor Investors were available at the offices of the GCBRLMs and the BRLMs.*

Designated Intermediaries (other than SCSBs) were required to submit/ deliver ASBA Forms to the respective SCSB, where the Bidder has a bank account and were not permitted to submit it to any non-SCSB bank or the Escrow Collection Bank.

Who can Bid?

In addition to the category of Bidders set forth in the sub-section titled "– *Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page 560, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs, other than Category III FPIs;
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion
- Scientific and/or industrial research organisations in India, which are authorised to invest in equity shares; and
- Any other person eligible to Bid in this Offer, under the laws, rules, regulations, guidelines and polices applicable to them.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by associates and affiliates of the GCBRLMs, the BRLMs and the Syndicate Members

The GCBRLMs, the BRLMs and the Syndicate Member shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the GCBRLMs, the BRLMs and the Syndicate Member may subscribe to or purchase Equity Shares in the Offer, in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders. Such Bidding and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of GCBRLMs, BRLMs and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Other than mutual funds sponsored by entities related to the GCBRLMs, the BRLMs, the Syndicate Member, the Promoters, members of the Promoter Group and any persons related to them cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

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.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company and the Selling Shareholders reserve the right to reject any Bid in whole or in part, in either case, without assigning any reason thereof.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. 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

NRIs may obtain copies of ASBA Forms from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a non-repatriation basis should authorise their SCSB to block their NRO accounts for the full Bid Amount. Eligible NRIs Bidding on a non-repatriation basis are advised to use the Bid cum Application Form for residents.

Bids by FPIs

On January 7, 2014, SEBI notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**") pursuant to which the existing classes of portfolio investors, namely, Foreign Institutional Investors and QFIs were subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

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) is not permitted to exceed 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board, followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to RBI.

Pursuant to Press Note 5 issued by the DIPP, subject to compliance with PSARA, a private security agency is permitted to have FDI up to 74% wherein FDI up to 49% is permitted under the automatic route and beyond 49% and up to 74% is permitted under the government route. While Press Note 5 was issued in June 2016, corresponding amendments in the permissible FDI limits for private security companies have not been made in Schedule I of the FEMA Security Regulations (which set forth terms, conditions, limits and routes of foreign investment applicable to Indian companies) till date. In particular, while the FEMA Security Regulations were amended in December 2016 to conform to the revised limits for most other sectors under Press Note 5, amendments to FDI limits for private security companies under Press Note 5 have not been enacted. In the absence of a formal amendment to the FEMA Security Regulations, our Company does not propose to raise any foreign capital in the Offer through the FDI route.

In accordance with the FDI Policy and Press Note 8 issued by the DIPP, participation by Non-Residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Security Regulations in the Offer, subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company; and (ii) Eligible NRIs under Schedule 4 of the FEMA Security Regulations.

By a resolution of the its board dated December 16, 2016 and a resolution of its shareholders dated January 14, 2017, our Company has increased the aggregate limits of its shareholding by FPIs (and erstwhile Foreign Institutional Investors) to 49%, and of NRIs (on a repatriation basis, to ensure post-listing liquidity) to 24% of its paid-up Equity Share capital. We have intimated the increase of these limits to the RBI, as required under the FEMA Security Regulations and the FDI Circular and the RBI has notified the increase of these limits by a press release on April 18, 2017.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("**ODIs**"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. FPIs are required to Bid through the ASBA process to participate in the Offer.

An FPI shall issue ODIs only to those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. 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 FPI and unregulated broad based funds, which are classified as Category II FPIs by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of ODIs is made by, or on behalf of it subject to the following conditions:

a) such ODIs are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the ODIs are to be transferred to are pre-approved by the FPI.

By its board meeting on June 21, 2017, SEBI has resolved to levy a regulatory fee of US$ 1,000 on each ODI subscriber. This fee is required to be collected and deposited by the ODI-issuing FPI once every three years, commencing April 1, 2017. An amendment to this effect in the SEBI FPI Regulations is awaited.

Bids by SEBI registered Venture Capital Funds and Alternative Investment Funds

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "**SEBI VCF Regulations**") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, *inter alia* prescribe the investment restrictions on VCFs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, VCFs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

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 one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

Further, according to the SEBI ICDR Regulations, the shareholding of VCFs, category I AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing of a draft offer document with SEBI.

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, the Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason therefor.

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 reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 9 of the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "**IRDA Investment Regulations**") are set forth below:

(i) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/ investment assets in case of a general insurer or a reinsurer;

(ii) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(iii) the industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) or (c) above, as the case may be.

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to 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, the Company and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the GCBRLMs and the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs finalised allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

    (b) 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, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

    (c) 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, subject to minimum allotment of ₹ 50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the GCBRLMs and the BRLMs before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) The GCBRLMs, the BRLMs, our Promoters, members of the Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLMs) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLMs and made available as part of the records of the BRLMs for inspection by SEBI.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see *"Offer Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment – Allotment to Anchor Investors"* on page 582.

Payment by Anchor Investors into the Escrow Account

Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) for payment of their Bid Amounts in the Escrow Account in favour of:

(i) In case of resident Anchor Investors: Escrow Account – SIS IPO - Anchor Investor – R
(ii) In case of non-resident Anchor Investors: Escrow Account – SIS IPO - Anchor Investor - NR

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from Anchor Investors.

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 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 or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs.

Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA Bids.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged with the Bid cum Application Form. Failing this, the Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.

The Company, in consultation with the GCBRLMs and the BRLMs, in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney with the Bid cum Application Form, subject to such terms and conditions that the Company and the GCBRLMs and the BRLMs deem fit, without assigning any reasons therefore.

In accordance with existing regulations, OCBs cannot participate in the Offer. Further, other than FPIs (investing under Schedule 2A of the FEMA Security Regulations) and Eligible NRIs (applying on a non-repatriation basis in accordance with Schedule 4 of the FEMA Security Regulations) Non-Residents are not permitted to participate in this Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company, after registering the Red Herring Prospectus with the RoC, published a pre-Offer advertisement all editions of the English daily newspaper Financial Express, all editions of the Hindi daily newspaper Jansatta and the Patna edition of Hindi newspaper, Business Standard (Hindi being the regional language in the state where the registered office of our Company is located), each with wide circulation, respectively. In the pre- Offer advertisement, we stated the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Information for Bidders

In addition to the instructions provided to Bidders set forth in the sub-section titled "– *Part B – General Information Document for Investing in Public Issues*" on page 557, Bidders are requested to note the following additional information in relation to the Offer.

1. The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ Allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

2. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the GCBRLMs and the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any

manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the Selling Shareholders, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus, the Red Herring Prospectus or this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

3. In the event of an upward revision in the Price Band, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e., the original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder 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 shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

4. In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

5. Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

In addition to the information provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues – Interest and Refunds*" on page 584.

Signing of the Underwriting Agreement and the RoC Filing

Our Company and the Selling Shareholders have enteredinto an Underwriting Agreement dated August 4**,** 2017 with the Underwriters after the finalisation of the Offer Price. Our Company will file this Prospectus with the RoC. This Prospectus contains details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and is complete in all material respects.

GENERAL INSTRUCTIONS

In addition to the general instructions provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues*" on page 557, Bidders are requested to note the additional instructions provided below.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time.
6. With respect to the ASBA Bids, ensure that the ASBA Form is signed by the account holder in case the applicant is not the ASBA Account holder. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;
7. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
8. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other

SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

9. Ensure that you request for and receive a stamped Acknowledgement Slip of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary as proof of registration of the Bid cum Application Form;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process until six Working Days from the Bid/ Offer Closing Date;
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised Acknowledgement Slip;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax 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;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. 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;
16. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
17. Ensure that you tick the correct investor category and the investor status, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. Ensure that for Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the electronic system of the Stock Exchanges by the relevant Designated Intermediary match with the DP ID, Client ID and PAN available in the Depository database;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).
23. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form; and
24. In relation to the ASBA Bids, ensure that you have correctly signed the authorisation/undertaking box in the ASBA 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 ASBA Form.

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 or revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount by cheques and demand drafts or in cash, by money order or by postal order or by stockinvest;
5. Do not send ASBA Forms by post. Instead submit the same to only a Designated Intermediary;
6. Do not Bid on a physical ASBA Form that does not have the stamp of a Designated Intermediary;
7. Anchor Investors should not Bid through the ASBA process;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
10. 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;
11. Do not submit the GIR number instead of the PAN;
12. Do not submit the Bids without instructions to block funds equivalent to the Bid Amount in the ASBA Account;
13. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
14. 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;
15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
16. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
18. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
19. Do not submit more than five ASBA Forms per ASBA Account;
20. Do not submit ASBA Bids to a Designated Intermediary at a location other than the Bidding Centres;
21. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in); and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

In addition to the instructions for completing the Bid cum Application Form provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Instructions for filing the Bid cum Application Form/ Application Form*" on page 560, Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).

2. ASBA Bids must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Red Herring Prospectus and in the ASBA Form.

3. Bids on a repatriation basis shall be in the names of FPIs Bidding through the portfolio investment scheme under Schedule 2A of the FEMA Security Regulations, as the case may be. Bids by Eligible NRIs (but not in the names of minors, or their nominees) for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation, subject to Schedule 4 of the FEMA Security Regulations.

Designated Date and Allotment

(a) Our Company will ensure that the Allotment and credit to the successful Bidder's depositary account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Bid/Offer Closing Date or such other period as may be prescribed.

(b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

(c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues – Issue Procedure in Book Built Issue – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections*" on page 578, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without payment of the entire Bid Amount;

2. Bids submitted by Retail Individual Bidders which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids by HUFs not mentioned correctly as given in the sub-section titled " – *Who can Bid?*" on page 543;

5. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

6. Bids submitted without the signature of the First Bidder or sole Bidder;

7. With respect to ASBA Bids, the ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

8. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

9. GIR number furnished instead of PAN;

10. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;

11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

12. Bids by Bidders (who are not Anchor Investors) accompanied by cheques or demand drafts;

13. Bids accompanied by stockinvest, money order, postal order or cash;

14. Bids by persons in the United States other than 'qualified institutional buyers' (as defined in Rule 144A of the Securities Act); and

15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Offer Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated April 16, 2008 among NSDL, the Company and the Registrar to the Offer.
- Agreement dated September 19, 2016 among CDSL, the Company and Registrar to the Offer.

The above information is given for the benefit of Bidders. Our Company and the Selling Shareholders, our Directors, the officers of our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That if the Company and/or the Selling Shareholders does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- That if our Company and/or the Selling Shareholders withdraw the entire or portion of the Offer after the Bid/Offer Closing Date, our Company shall be required to file an updated offer document or a fresh offer document with the RoC/ SEBI, as the case may be, in the event our Company or the Selling Shareholders (or any other Selling Shareholders) subsequently decides to proceed with the Offer;

- That the complaints received in respect of the Offer shall be attended to by the Company expeditiously and satisfactorily;

- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed;

- if Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders as per applicable laws;

- That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;

- That the certificates of the securities or refund orders to Eligible NRIs shall be despatched within specified time;

- That except for any allotment of Equity Shares pursuant to exercise of options under our Company's ESOP Schemes, no further Offer of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc; and

- That we shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

UNDERTAKINGS BY THE SELLING SHAREHOLDERS

The Selling Shareholders, severally and not jointly, undertake the following:

- That they are the legal and beneficial owners of the Offered Shares, except to the extent, in the case of AAJV, that the beneficiaries of AAJV have a beneficial interest in the assets of AAJV, including the Offered Shares held by it;

- That the Offered Shares (a) have been held by them for a minimum period in compliance with in Regulation 26(6) of the SEBI ICDR Regulations; and (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialised form at the time of transfer;

- That they shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained;

- That they shall provide all reasonable cooperation as requested by the Company in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Equity Shares offered by them pursuant to the Offer;

- That they shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the GCBRLMs and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by them and being offered pursuant to the Offer;

- That other than in terms of the Investment Agreement and the Second Amendment Agreement (and as set forth in "*History and Certain Corporate Matters – Material Agreements*" on page 218), they shall not further transfer Equity Shares during the period commencing from submission of the Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted and Equity Shares to be Allotted pursuant to the Offer;

- That they shall take all such steps as may be required to ensure that the Equity Shares being sold by them pursuant to the Offer for Sale are available for transfer in the Offer for Sale, free and clear of any encumbrance, within the timelines specified under applicable law; and

- That they have authorised the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offered Shares and they shall extend reasonable cooperation to our Company and GCBRLMs and the BRLMs in the regard.

Utilisation of Offer proceeds

The Company and the Selling Shareholders specifically confirm and declare that all monies received out of this Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

Withdrawal of the Offer

Our Company and the Investor Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company. The GCBRLMs and 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. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC and the Stock Exchanges.

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, as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer. In case of inconsistency between this General Information Document and other sections of this Prospectus, the details mentioned in the other sections of this Prospectus shall prevail.

In accordance with the FDI Policy and Press Note 8, participation by Non-Residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Security Regulations in the Offer, subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company; and (ii) Eligible NRIs under Schedule 4 of the FEMA Security Regulations. Bidders should note that this General Information Document has not been updated to reflect the above terms of the Offer and Bidders should refer to "Offer Procedure – Part A" beginning on page 542 for details in relation to the same.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations, 2009").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the 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 Offer is available on the websites of stock exchanges, on the website(s) of the GCBRLMs and the BRLMs to the Offer and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the "Companies Act") as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues - Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue").** An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre- Offer 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/ Offer 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 OFFER 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 Stock Exchange(s).

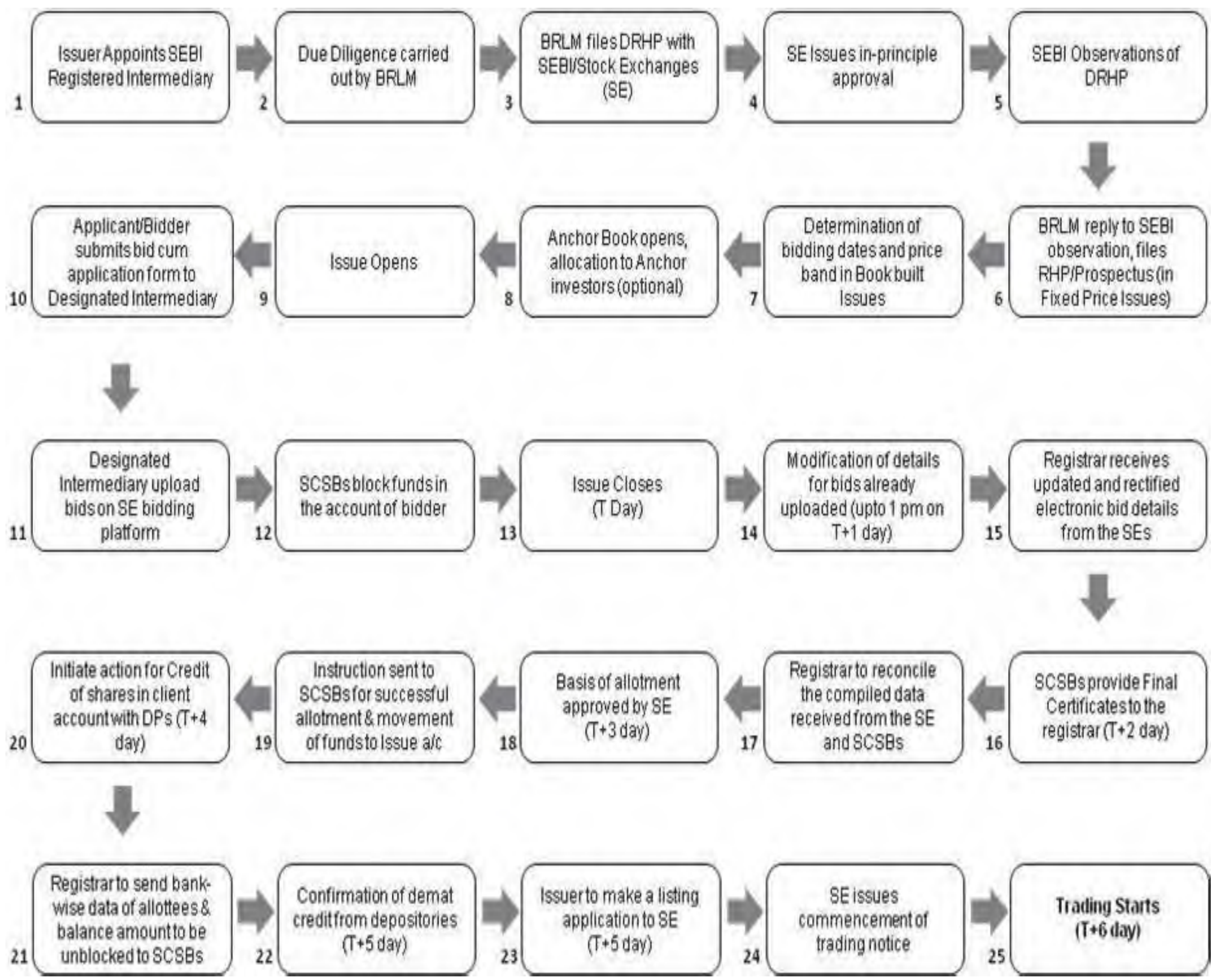
In case of a Book Built Issue, the Issuer may close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by 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 GCBRLMs and the BRLMs, 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.
    (iii) Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform
    (iv) Step 12: Offer period closes
    (v) Step 15: Not Applicable



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Bidders/Applicants, such as NRIs and FPIs 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 non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs (other than Category III FPIs) bidding in the QIBs category;
- Category III FPIs bidding in the Non Institutional Bidders category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in the Offer.

SECTION 4: APPLYING IN THE OFFER

Book Built Issue: Bidders should only use the specified Bid cum Application Form (*i.e.*, in case of Anchor Investors, the Anchor Investor Application Form, and in case of Bidders other than Anchor Investors, the ASBA Forms) either bearing the stamp of a Designated Intermediary or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with 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 cum Bid cum Application Form, bearing the stamp of the Designated Intermediary or downloaded from the websites of the Stock Exchanges. Application Forms are available with Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Color of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
FPIs and NRIs	Blue
Anchor Investors (where applicable)	White

Securities issued in an IPO can only be in dematerialised 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:

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No. ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
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

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✔ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

- NRI — Non-Resident Indians (Repatriation basis)
- FII — FII or Sub-account not a Corporate/Foreign Individual
- FIISA — FII Sub-account Corporate/Individual
- FVCI — Foreign Venture Capital Investor
- FPI — Foreign Portfolio Investors
- OTH — Others (Please Specify) ______

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUE ("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) I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : ______	1) 2) 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

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No. ______

Bank & Branch ______

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 and the Designated Intermediaries only for correspondence(s) related to the 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 –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(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 dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose 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. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorised 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 unblocking of ASBA Account or for other correspondence(s) related to the 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 Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot:** The Issuer, in consultation with the GCBRLMs and 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 and the Selling Shareholders on basis of such minimum application value.

(e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise or withdraw their bids till closure of the bidding period. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer 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 Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Offer size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the 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 Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another 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, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

(ii) For Bids from Mutual Funds submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

(i) 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.

(ii) Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iii) 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 RIIs, NIIs and QIBs.

(b) Upto 60% of the QIB Category can be allocated by the Issuer and the Selling Shareholders, 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 the 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 and FPIs 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 a Bidder’s ASBA Account based on the authorisation provided by the Bidder in the ASBA Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked in respect of 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) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.

(c) QIBs and NIIs can participate in the Offer only through the ASBA mechanism.

(d) All Bidders (except Anchor Investors) are required to Bid through the ASBA process.

(e) 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 GCBRLM or a BRLM.

(b) Payments by Anchor Investors are required to be made through direct credit, RTGS or NEFT.

(c) The Escrow Collection Bank 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 authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

(iii) in physical mode to a Designated Intermediary at a Bidding Centre.

(b) ASBA Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, 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 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 Bid cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at a Bidding Centre 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) ASBA Bidders bidding through a Designated Intermediary other than an SCSB should note that the ASBA Forms submitted to the Designated Intermediary may not be accepted by the Designated Intermediary, 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 Bid cum Application Forms.

(h) **ASBA 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 on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public 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.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the 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 ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the 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.

4.1.7.3 **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis).

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the

Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the 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 relevant Designated Intermediary for submission of the ASBA Form.

(b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:

(i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Offer.

(ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

(iii) In case of queries relating to uploading of Bids by a Designated Intermediary other than an SCSB, the Bidders/Applicants should contact the relevant Designated Intermediary.

(iv) Bidder/Applicant may contact the Company Secretary and Compliance Officer or GCBRLMs and the BRLMs in case of any other complaints in relation to the Offer.

(d) The following details (as applicable) should be quoted while making any queries –

(i) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.

(ii) name and address of the Designated Intermediary where the Bid was submitted; and

(iii) The ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/ Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

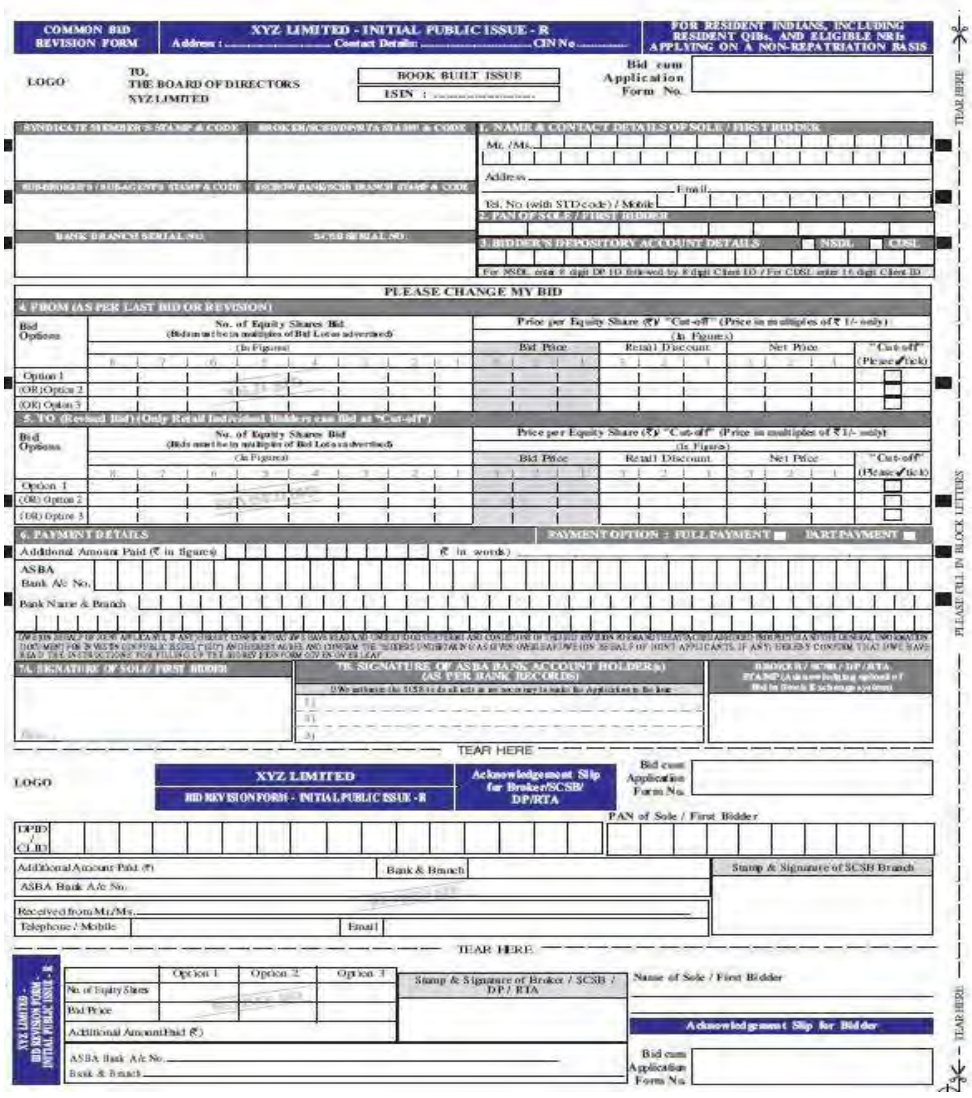
(a) During the Bid/ Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise or withdraw their bids till closure of the bidding period.

(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

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.

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

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options | No. of Equity Shares Bid | Price per Equity Share (₹) "Cut-off" | Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick)

Option 1

(OR) Option 2

(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

7A. SIGNATURE OF SOLE/ FIRST BIDDER

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

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

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND 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 AND 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 RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000 (₹ 500,000 in case of Employees). In case the Bid Amount for any Bid by the RIIs exceeds ₹ 200,000 (₹ 500,000 in case of Employees) due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the 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, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs 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 finalisation of the basis of allotment.

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 the ASBA Accounts. 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/Applicant may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same 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, 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 may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of bidding may be unblocked after finalisation of the 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 AND 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 AND AMOUNT**

(a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot:** The Issuer, in consultation with the Lead Managers to the Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs, Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000 and applications by Employees must be for such number of shares so as to ensure that the application amount payable does 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, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

(ii) For applications from Mutual Funds submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

(i) 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.

(ii) Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5: CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Offer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the 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 the Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Offer.

(b) Application Amount cannot be paid through cheques and demand drafts or in cash, through money order or through postal order or through stock invest.

4.3.5.1 **Payment instructions for ASBA Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2.1 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.2 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Offer, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Offer may authorise blocking of an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS AND ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 and 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Application by Anchor Investors	To the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers at the locations specified in the Anchor Investor Application Form
Applications by other Bidders	(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 CDP Locations. (b) To the Designated branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(d) Upon determination of the 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 the Designated Intermediaries to submit and register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers to register their Bids.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediaries 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 online facilities for Book Building on a regular basis before the closure of the Offer.

(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 Draft Ref Herring Prospectus and 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 up to one day after 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 for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the 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 GCBRLMs and 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) RIIs can withdraw their Bids until the Bid/ Offer Closing Date. In case a RII 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 finalisation of the basis of allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION AND 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 Intermediaries,

(ii) the Bids uploaded by the Designated Intermediaries, or

(iii) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The GCBRLMs, the BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the GCBRLMs and the BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs and RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the 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, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Applications 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;

(b) 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);

(c) Bids/Applications by OCBs;

(d) 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;

(e) 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;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(i) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(l) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;

(m) Bids/Applications at Cut-off Price by NIIs and QIBs;

(n) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(p) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(q) Bids not uploaded in the Stock Exchanges bidding system

(r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form at the time of blocking such Bid/Application Amount in the bank account;

(v) Where no confirmation is received from SCSB for blocking of funds;

(w) Bids/Applications by Bidders (other than Anchor Investors) that are not submitted through ASBA process;

(x) ASBA Bids/Applications submitted to a Designated Intermediary at locations other than the Bidding Centres, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;

(y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in the 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 for the QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer in consultation with the GCBRLMs, 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) 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, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the GCBRLMs and the BRLMs may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer 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. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Offer Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through a Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/ Offer Opening Date.

In a fixed price Offer, allocation in the offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor is will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the 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 RIIs

Bids received from the RIIs 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 RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Offer Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the 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 NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the 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 INVESTORS (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 GCBRLMs and the BRLMs, subject to compliance with the following requirements:

   (i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

   (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

   (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

   - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
   - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
   - a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the GCBRLMs and the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Offer Price is higher than the Anchor Investor Offer 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 Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Offer Price is lower than the Anchor Investor Offer 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) AND NIIs 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 categorised 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 Bank 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 Bankers 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 also 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 Offer shall instruct the SCSBs to unblock 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/ Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING AND 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 the Depositories, and dispatch the Allotment Advice within six Working Days of the Bid/ Offer Closing Date.

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 rates prescribed under applicable law.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees 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 fifty thousand rupees but which may extend to three lakh rupees, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, without interest take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Offer Closing Date and repay, without interest, all subscription amounts received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

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.

8.2.3 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 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 of unsuccessful Bidders and also for any excess amount blocked on Bidding/Application.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/ Offer Closing Date may dispatch refunds 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/Applicants' 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 DPs. Failure to do so may result in delays in dispatch of 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 Selling Shareholders, the Registrar to the Offer, the Escrow Collection Bank, 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.

(d) In the case of Bids from Eligible NRIs, and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer and the Selling Shareholders may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Electronic modes of making refunds to Anchor Investors

The payment of refund to Anchor Investors, if any, may be done through various 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 Investor's bank is NEFT enabled and has been assigned the Indian Financial System Code **("IFSC"),** which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **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; and

(d) **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; and

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc, Anchor Investors may refer to RHP/Prospectus.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted by the Anchor Investor to the Escrow Collection Bank.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at rates prescribed under applicable laws if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working days of the Bid/Issue Closing Date.

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. In case of inconsistency in the description of a term mentioned herein below and the description ascribed to such term in the Red Herring Prospectus, the description as ascribed to such term in the Red Herring Prospectus shall prevail.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Allotment in terms of the Red Herring Prospectus and Prospectus.
Escrow Account	An account opened with the Escrow Collection Bank 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
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by the Issuer, in consultation with the GCBRLMs and 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)/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 from, 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/Applicant
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Offer who Bid/apply through ASBA
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 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
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. Applicants/bidders 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. Applicants/bidders 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 Bidders/Applicants (other than Anchor Investors) 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. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Offer Period

Term	Description
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
GCBRLMs/ Global Coordinator and Book Running Lead Managers/ BRLMs/ Book Running Lead Managers/ Lead Managers/ LMs	The Global Coordinator and Book Running Lead Managers/ Book Running Lead Managers 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 Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers should be construed to mean the Lead Managers or LMs
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	Note or intimation of allocation of Equity Shares sent to each Anchor Investor who have been allocated 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
Category III FPI	FPIs who are registered as “Category III foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Collecting Depository Participant(s) or CDP(s)	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.
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as the context requires.
Cut-off Price	Offer Price, finalised by the Issuer, in consultation with the Global Coordinator and Book Running Lead Managers and the Book Running Lead Managers, which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (other than Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations 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), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account in terms of the Red Herring Prospectus or the amounts blocked by the SCSBs are transferred from the ASBA Accounts of successful Allottees to the Public Offer Account, following which the board of directors may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale.
Designated Intermediaries	The Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations where Bidders can submit the ASBA Forms to RTAs.

Term	Description
	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 promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and 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
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009
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
FPI	Foreign portfolio investor registered 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
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Offer Price may be decided by the Issuer in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers.
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Portion (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
NACH	National Automated Clearing House
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
Non-Institutional Investors or NIIs	All Bidders/Applicants, including Category III FPIs, 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 NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application

Term	Description
	Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FVCIs registered with SEBI and FPIs
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 Shareholders
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 Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers 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 Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, 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 Portion	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
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.
Refunds through electronic transfer of funds	Refunds through NACH, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTI	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form

Term	Description
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Member(s)
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 Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers 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 the 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 the time period between (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 governed by the provisions of the FEMA Regulations. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA Regulations. In case of any conflict, the FEMA Regulations prevail. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The consolidated FDI policy circular of 2016, dated June 7, 2016 issued by the DIPP ("**FDI Circular**") consolidates the policy framework which were in force as on June 7, 2016 and reflects the FDI Policy as on June 6, 2016. Further, the FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP.

Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; 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 this Offer.

Pursuant to Press Note 5 issued by the DIPP, subject to compliance with PSARA, a private security agency is permitted to have FDI up to 74% wherein FDI up to 49% is permitted under the automatic route and beyond 49% and up to 74% is permitted under the government route. While Press Note 5 was issued in June 2016, corresponding amendments in the permissible FDI limits for private security companies have not been made in Schedule I of the FEMA Security Regulations (which set forth terms, conditions, limits and routes of foreign investment applicable to Indian companies) till date. In particular, while the FEMA Security Regulations were amended in December 2016 to conform to the revised limits for most other sectors under Press Note 5, amendments to FDI limits for private security companies under Press Note 5 have not been enacted. In the absence of a formal amendment to the FEMA Security Regulations, our Company does not propose to raise any foreign capital in the Offer through the FDI route.

In accordance with the FDI Policy and Press Note 8 issued by the DIPP, participation by Non-Residents in the Offer is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Security Regulations in the Offer, subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company; and (ii) Eligible NRIs under Schedule 4 of the FEMA Security Regulations. By a resolution of the its board dated December 16, 2016 and a resolution of its shareholders dated January 14, 2017, our Company has increased the aggregate limits of its shareholding by FPIs (and erstwhile Foreign Institutional Investors) to 49%, and of NRIs (on a repatriation basis, to ensure post-listing liquidity) to 24% of its paid-up Equity Share capital. We have intimated the increase of these limits to the RBI, as required under the FEMA Security Regulations and the FDI Circular and the RBI has notified the increase of these limits by a press release on April 18, 2017.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act.

The above information is given for the benefit of the Bidders. Our Company, the GCBRLMs 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 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 THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations the main provisions of our Articles of Association relating to, *inter alia*, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

VALIDITY

The validity of these Articles of Association shall be as follows:

A. Chapter I and Chapter II of these Articles shall be effective and co-exist together. Provided, however, in the event of any inconsistency, contradiction or conflict between the terms of Chapter I and Chapter II of these Articles, the terms of Chapter II shall prevail.

B. Notwithstanding the foregoing or anything contained in these Articles, on the date of listing of equity shares of the Company on a stock exchange in India ("Listing Date"), Chapter II shall automatically terminate and cease to have any force, without requiring any further corporate action. Chapter I shall continue to be in effect post the Listing Date.

CHAPTER I

1.1 The regulations contained in Table 'F' of Schedule I of the Companies Act, 2013 or any statutory modification thereof shall apply to this Company, subject to the following modifications, additions and alterations hereinafter contained and so far as those are not inconsistent with or repugnant to any of the provisions contained in the aforesaid regulations.

1.2 Unless the context otherwise requires, the words and 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. *DEFINITIONS & INTERPRETATION*

2.1 In these Articles, unless the context clearly indicates a contrary intention, the following words and expressions shall bear the meanings assigned to them below (and cognate words and expressions shall bear corresponding meanings):

"Act" means the Companies Act, 2013 of India or any other statutory amendment or re-enactment thereof;

"AAJV" means AAJV Investment Trust, a private trust established under the Indian Trusts Act, 1882, having its place of business at 9 Mathura Road, Jangpura B, New Delhi 110014;

"Theano" means Theano Private Limited, a private limited company incorporated under the laws of Mauritius and having its registered office at Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius;

"Investors" means collectively Theano and AAJV; and each as an "Investor" as the context requires;

"Special Resolution" and "Resolution (requiring) special Notice" have the meanings assigned thereto respectively by the Act;

"Company" means Security and Intelligence Services (India) Limited;

"Seal" means the common seal of the Company;

“Director” or “Directors” means the director or directors for the time being of the Company;

“Board of Directors” or “Board” means the board of Directors of the Company;

“Independent Directors” shall have the meaning ascribed to it in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

"The Office/Office" means the Registered Office of the Company, for the time being;

"The Register/Register" means the Register of members to be kept pursuant to Section 88 of the Act;

"The Registrar" means the Registrar of Companies, Bihar and Jharkhand (Patna);

"Dividend" means and includes bonus;

"Month" or "month" means an English calendar month;

"Proxy" means and includes an attorney duly constituted under a power of attorney; and

"These Presents" or “Regulations” or “Articles” means and includes these Articles of Association or any modification or alteration thereof for the time being in force.

“Promoters” mean (1) Mr. Ravindra Kishore Sinha (2) Mr. Rituraj Kishore Sinha.

“Company Shareholders” shall mean, collectively, the Promoters, Rita Kishore Sinha, Rivoli Sinha Aggarwal and Vocational Skills Council (India) Private Limited.

3. *SHARE CAPITAL*

3.1 The authorized share capital of the Company shall be in accordance with Clause V of the memorandum of association of the Company, with the power to divide the shares in the capital, for the time being, into several classes, and attach thereto such preferential, cumulative, convertible, preference guaranteed, qualified, special or deferred rights, privileges, conditions, as may be determined under any contractual arrangement and in accordance with these Articles and the provisions of the Act.

3.2 The shares shall be under the control of Directors who may issue, allot or otherwise dispose of the same.

3.3 Subject to the provisions of these Articles the Board of Directors may (i) issue, allot or otherwise dispose such shares, on such terms and conditions, and at such time, as the Directors think fit and shall, if so authorized by the Company in general meeting give to any person the option or right to call on any shares either at par or at a premium or –subject to compliance with the provisions of Section 53 of the Act–at a discount and for such consideration as the Directors may think fit; and (ii) allot and issue shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any shares which may be so allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid-up shares.

3.4 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 regulations 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.

3.5 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 of the Act, 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 regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least 2 (two) persons holding at least one-third of the issued shares of the class in question.

3.6 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

3.7 Subject to the provisions of Section 55 of the Act, any preference shares may, with the sanction of an ordinary 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.

4. CERTIFICATE OF SHARES

4.1 Every person whose name is entered as a member in the Register shall be entitled to receive within 2 (two) months after incorporation, in case of subscribers to the memorandum or after allotment or within 1 (one) month after the application for the registration of transfer or transmission or within such other period as prescribed by applicable laws:

(i) 1 (one) certificate for all his shares without payment of any charges; or

(ii) Several certificates, each for one or more of his shares, upon payment of Rs. 20 (Rupees Twenty) for each certificate after the first.

4.2 Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

4.3 In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

4.4 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, on payment of Rs. 50 (Rupees Fifty) per new certificate so issued and if any certificate is lost or destroyed then on payment of Rs. 50 (Rupees Fifty) for each certificate and 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 (Rupees Twenty) for each certificate.

4.5 Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

4.6 The provisions of this Article 4 shall *mutatis mutandis* apply to debentures of the Company.

4.7 The Company shall issue, when so required, receipts for all securities deposited with it whether for registration, sub-division, exchange or for other purposes and shall not charge any fees for registration of transfers, for sub-division and consolidation of certificates and for sub-division of letters of allotment, renounceable letters of right, and split, consolidation, renewal and transfer receipts into denominations of the market unit of trading.

4.8 The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of 30 (thirty) days from the date of such lodgement.

4.9 Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities in accordance with the Depositories Act, 1996, as amended from time to time or any statutory modification thereto or re-enactment thereof.

4.10 Subject to the applicable provisions of the Act, either the Company or an investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

5. *FURTHER ISSUE OF SHARES*

5.1 Where at any time, the Company proposes to increase its subscribed capital by the allotment of further shares either out of the unissued capital or out of the increased Share Capital, 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 may 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 (i) above shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him;

(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 such conditions as prescribed in the Act and the rules thereunder; or

(iii) to any persons, if its authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) 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 such conditions prescribed in the Act and the rules thereunder.

5.2 The notice referred to in sub-clause (i) of clause (a) of sub-article 5.1 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.

5.3 Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company(whether such option is conferred in these Articles or otherwise);

5.4 Provided that the terms of issue of such debentures or the terms of such loans containing such option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

6. *TRANSFER & TRANSMISSION OF SHARES*

6.1 A common form of transfer shall be used. Save as provided in Section 58 of the Act, no transfer of a shares shall be registered unless a proper instrument of transfer, in such form as may be prescribed, duly stamped, dated and executed by or on behalf of the transferor and transferee and specifying the name, address and occupation of the transferee has been delivered to the Company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the securities, or if no such certificate is in existence, along with the letter of allotment of securities in accordance with the provisions of Section 58 of the Act. The transferor shall be deemed to remain a member in respect of such share(s) until the name of the transferee in entered in the Register in respect thereof. The signature(s) of the transferor and the transferee, in respect of such transfer, shall be duly attested by at least 1 (one) credible witness, who shall add his/her address and occupation.

6.2 Provided that where the instrument of transfer has been lost or the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit.

6.3 Application for the registration of the transfer of share(s) may be made either by the transferor, or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of the partly paid share(s), be effected, unless the Company gives notice of the application to the transferee, in the manner prescribed in the Act, and subject to the provisions of these Articles. Upon receipt of the proper documentation, the Company shall register the transfer of shares in the name of the transferee(s), and issue certificates or receipts or advices, as applicable, of transfers; or issue any valid objection or intimation to the transferee or transferor, as the case may be, within a period of 15 (fifteen) days from the date of such receipt of request for transfer. Accordingly, unless objection is made by the transferee/transferor, within 15 (fifteen) days from the date of receipt of the notice, the Company shall enter in the Register, the name of the transferee in the same manner and subject to the same conditions, as if the application for registration of the transfer was made by the transferee.

6.4 Every instrument of transfer of shares shall be in writing and in the form prescribed under the Act and shall be in accordance with the provision of Section 56 of the Act for all transfers and registrations. There shall be no fee chargeable for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

6.5 The Board of Directors may, subject to the right of appeal conferred by Section 58 of the Companies Act, 2013, decline to register:

(i) The transfer of a share not being fully paid share, to a person of whom the Board does not approve, or

(ii) Any transfer of shares on which the Company has a lien.

6.6 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 of the Act;

(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.

6.7 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 (including Section 22A of the Securities Contracts (Regulation) Act, 1956), the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within 15 (fifteen) 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 notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

6.8 Provided that registration of transfer of such share(s) 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 when there is a lien on the shares. If the Directors decline to register any transfer, they shall give notice of such refusal to the transferee and the transferor, as required by the Act.

6.9 Every instrument of transfer shall be left at the Office of the Company for registration, accompanied by the certificate of the share(s), the subject of the instrument of transfer or if no such certificate is in existence, accompanied by the letter of allotment of the share(s) and such other evidence, as the Board may require, to prove the title of the transferor or his right to transfer of the share(s). Every instrument of transfer, which shall be registered, shall be retained by the Company, but any instrument of transfer, which the Board may refuse to register, shall be returned to the person who deposited the same.

6.10 On giving not less than 7 (seven) days' prior notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 (thirty) days at any time or for more than 45 (forty five) days in the aggregate in any year.

6.11 Limitation of time for issue of certificates:

(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, unless the conditions of issue thereof otherwise provide, or within 30 (thirty) days of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate and delivery of a certificate of shares to 1 (one) of several joint holders shall be sufficient delivery to all such holders.

6.12 Payment of call in advance:

(i) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any shareholder of the Company 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, at such rate, not exceeding (unless the Company in a general meeting otherwise directs) 12% (twelve) percent, 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.

6.13 No shareholder of the Company 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.

6.14 The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company.

6.15 In case of death of a member, the survivor or survivors, where the deceased was a joint holder, and his legal representatives, where he was sole holder, shall be the only person(s) recognized by the Company as having any title to the deceased's interest in the share(s), but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share, which has been jointly held by such deceased person with other persons. The Board may require any person(s) becoming entitled to the share(s) in consequence of the death of any member to obtain a "Grant of Probate" or "Letter of Administration" or other legal representation, as the case may be, from a competent court in India. It shall be lawful for the Board, in its absolute representation, upon such terms, to call for an indemnity (on such terms, as the Board may think fit) in such cases, without in any case being bound to do so.

6.16 Any person becoming entitled to the share(s) as a consequence of the death/ insanity/ bankruptcy/insolvency of a member may, upon producing such evidence, as the Board thinks sufficient and subject as hereinafter provided, elect either to be registered as a member in respect of such share(s) or to transfer such share(s) to some other person.

6.17 The Directors may retain the dividend payable upon the share(s) to which any person becomes entitled under Articles 20, until such person or his transferee, becomes a member in respect of the share(s). If the Company has not affected transfer of securities within 15 (fifteen) days or where the Company has failed to communicate to the transferee(s) any valid objection to the transfer, within the stipulated time period of 15 (fifteen) days, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay. Further, in relation to the aforementioned period of delay the Company shall provide all benefits, which have accrued, to the holder of securities in terms of provisions of Section 126 of Companies Act, 2013, and Section 27 of the Securities Contracts (Regulation) Act, 1956.

6.18 If the person becoming entitled to the share(s) under Article 20 elects to be registered as a member in respect of the share(s) himself, such person shall deliver or send to the Company, a notice in writing signed by him stating that he has so elected.

6.19 If the person aforesaid shall elect to transfer the share(s) to another person, he shall testify his election by executing an instrument of transfer in respect of such share(s).

6.20 All the limitations, restrictions and provisions of these Articles, relating to the right of transfer and registration of transfer of the share(s), shall be applicable to any such notice or transfer as aforesaid as if the death/insanity/ bankruptcy/ insolvency of the member had not occurred and the notice of transfer, where the instrument of transfer is signed by the member.

6.21 A person becoming entitled to a share by reasons of the death/insanity/ bankruptcy/ insolvency of a member shall, subject to the provisions of Article 20 and of Section 123 of Act, be entitled to the same dividend and other advantage to which he would be entitled, if he were the registered member in respect of the share(s).

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(s), and if the notice is not complied with within 90 (ninety) days, the Board may, thereafter, withhold the payment of all dividend, bonuses or other moneys payable in respect of the share(s), until the requirements of the notice have been complied with by the concerned person.

6.22 The Company shall incur no liability or responsibility, whatsoever, in consequence of its registering or giving effect to any transfer of share(s) made or purported to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of person(s) having or claiming any equitable right, title or interest in the said shares, notwithstanding the Company may have had notice of such equitable right, title or interest or notice, purporting to prohibit registration of such transfer, and may have entered such notice or referred thereto in any book of the Company. The Company shall not be bound or required to regard or attend or give effect to a notice, which may be given to it by any equitable right, title or interest and further the Company shall not be under any liability, whatsoever, for refusing or neglecting to do, though it may have been entered or referred to in some book of the Company.

7. *CALL ON SHARES*

7.1 The Board may, from time to time, by a resolution passed at a meeting of the Board of Directors, (and not by circular resolution) make such calls as the Board thinks fit, upon the members, in respect of all the monies unpaid on the shares held by each member respectively. Accordingly, each member shall, subject to receiving at least 14 (fourteen) days' prior notice, pay the amount of every call so made in respect of the share(s) held by the respective member in the Company at the date, time and place specified by the Board of Directors in such notice.

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 meetings.

Provided further that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

7.2 A call may be revoked or postponed at the discretion of the Board of Directors.

7.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

7.4 If a sum called in respect of share(s) is not paid, before or on the date appointed for the payment thereof, the member from whom the sum is due shall pay to the Company interest thereon, from the day appointed for such the payment to the time of actual payment, at the rate of 10% (ten percent) per annum or at such lower rate as the Board of Directors shall deem fit. The Board of Directors shall be at liberty to waive payment of any interest as aforesaid wholly or in part.

8. *JOINT HOLDERS*

8.1 Where 2 (two) or more persons are registered as the holder of any share(s), they shall be deemed to hold such share(s) as joint and several tenants, with benefits of survivorship to the other provisions contained in these Articles, including without limitation, the following:

(i) The Company shall be entitled to decline to register more than 3 (three) persons as the joint holders of any share or shares.

(ii) The joint holders of any share(s) shall be liable severally and as well as jointly for and in respect of calls and other payment which ought to be made in respect of such share(s).

(iii) Any one of such joint holder may give effectual receipts of any dividend or other moneys in respect of such shares.

(iv) Only 1 (one) person, whose name stands first in the Register as one of the joint holders of any share(s), shall be entitled to the delivery of the certificate relating to such share or to receive notices. Documents served on or sent to such person shall be deemed service on all joint holders.

(v) The vote of the member whose name first appears in the Register, whether in person or by proxy, shall be accepted to the exclusion of other joint holders.

9. *ALTERATION OF CAPITAL*

9.1 Subject to the terms hereof and the applicable provisions of the Act, the Company may, from time to time, by ordinary resolution in a General Meeting increase the share capital by such sum to be divided into shares of such amount and to be issued upon such terms and conditions and with such rights and privileges attached thereto as maybe specified in the resolution and if no direction is given as to the terms of issue, then as the Board of Directors shall decide, provided, however that the first option for the purchase of new shares shall be given to the existing members of the Company.

9.2 The Company may by ordinary resolution (and subject to the provisions of Section 61 of the Act) in a general meeting:

(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; and

(iii) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum.

9.3 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 regulations 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; and

(iii) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

9.4 The Company may by ordinary resolution, in a general meeting, cancel shares which at the date of passing of the resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of share capital by the amount of shares so cancelled.

9.5 The Company may by a Special Resolution reduce in any manner and with subject to any incident authorized and consent required by law:

(i) its share capital;
(ii) any capital redemption reserve account; and
(iii) any share premium account.

10. *FORFEITURE & LIEN*

10.1 If any member fails to pay any call or instalment of a call before or on the day appointed for the payment of the same, the Board may at any time thereafter, during such time as the call or instalment remains unpaid, serve notice on such member requiring him to pay the same together with any interest that may have accrued and all such expenses that may have been incurred by the Company by reason of such non-payment.

10.2 The notice shall name a day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) and place(s), on and at which, such call or instalment and such interest as aforesaid are to be paid. The notice shall also state that in the event of non-payment before or on the time and at the place appointed, the shares, in respect of which such call was made, or instalment is payable will be liable to be forfeited.

10.3 If the requisition of any such aforesaid notice is not complied with, any share in respect of which such notice has been given may at any time thereafter but before payment of all calls or instalment, interest and expense due, in respect thereof, be forfeited by a resolution of the Board of Directors to that effect.

10.4 Such forfeiture shall include all dividend declared but not actually paid before forfeiture, in respect of forfeited shares.

10.5 When any share shall have been so forfeited, notice of the aforementioned resolution shall be given to the member, in whose name it stood immediately prior to the forfeiture and the entry of the forfeiture with date thereof shall, forthwith, be made in the Register but no forfeiture shall, in any manner, be invalidated by a non-receipt or neglect to give such notice or to make such entry as aforesaid.

10.6 Any share so forfeited, shall be deemed to be the property of the Company and the Board of Directors may sell, or otherwise dispose of the same in such manner as it thinks fit.

10.7 A person whose shares have been so forfeited shall cease to be a member, in respect of the forfeited shares, but shall remain liable for payment and shall forthwith pay to the Company all calls or instalments, interest and expenses owing upon the member, in respect of such shares, at the time of forfeiture, together, with interest thereon, until full payment, at 6% (six percent) per annum and the Board of Directors may enforce the payment thereof or any part thereof without any deduction or allowance for the value of the shares at the time of the forfeiture but shall not be under any obligation to do so.

10.8 The Company shall have first and paramount lien:

(i) upon every share (except the fully paid up shares/debentures) registered in the name of each member, (whether solely or jointly with others) and for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(ii) upon the proceeds sale thereof for moneys (whether presently payable or not) called or payable at a fixed time in respect of shares (except the fully paid up shares) / debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

10.9 Such lien shall extend to all dividends, from time to time, declared in respect to such shares unless otherwise agreed; the registration of transfer of shares shall operate as a waiver of the Company’s lien, if any, on such shares.

11. ***BORROWING POWERS***

11.1 Subject to the applicable provisions of the Act and of these Articles, the Board of Directors may from time to time at its discretion, by a resolution passed at a meeting of the Board raise or borrow and secure the payment of any sum or sums of money for the Company. Provided, however where the moneys already borrowed (apart from temporary loans obtained from the Company’s bankers in the ordinary course of businesses) exceed the aggregate of the paid up capital of the Company and its free reserves not set apart for any specific purpose, the Board shall not borrow without the consent of the Company, by way of a special resolution.

11.2 The Board of Directors may secure the repayment of such sum(s), in such manner and upon such terms and conditions, in all respects it thinks fit and in particular by mortgage or other security on the undertaking of the whole or any part of property of the Company (both present and future including its uncalled capital for the time being).

11.3 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.

12. *ANNUAL GENERAL MEETING*

12.1 The first "Annual General Meeting" of the Company shall be held within a period of 9 (nine) months from the date of closing of the first financial year of the Company and in any other case, within a period of 6 (six) months, from the date of closing of the financial year.

12.2 In addition to other meeting, a general meeting of the Company shall be held within such intervals as are specified in Section 96(1) of the Act, and subject to the provisions of Section 96(2) of the Act, at such time and place as may be determined by the Board of Directors. Each such general meeting shall be called an "Annual General Meeting", and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an "Extraordinary General Meeting."

12.3 Subject to the provisions of these Articles, the Board may, whenever it thinks fit, call a general meeting and it shall, on the requisition of such number of members who hold, at the date of such requisition, not less than one tenth of the paid up capital of the Company and, on that date, carried the right of voting in regard to the matter to be considered at the meeting forthwith, call an extraordinary general meeting and in the case of such requisition the provisions of Section 100 of the Act, shall apply.

12.4 The Directors may, whenever they thinks fit, call an "Extraordinary General Meeting". Subject to the provisions of the Act, at least 21 (twenty one) days written notice of every general meeting shall be given to all shareholders of the Company at their usual address, provided always that a general meeting may be convened by a notice shorter than 21 (twenty-one) days in accordance with the provisions of the Act. Every notice of the meeting shall specify the place, the day, the time of the meeting and shall contain a statement of the business to be transacted thereat.

13. *PROCEEDINGS AT GENERAL MEETINGS*

13.1 No business shall be transacted at any general meeting unless a quorum of member is present at the time when the meeting proceed to transact the business. Save as otherwise provided herein, the quorum for the general meetings shall be as provided for in Section 103 of the Act.

13.2 One of the directors shall be the chairman of the Company and shall be entitled to take the chair at every general meeting, as well as the meeting of the Board of Directors. If at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is otherwise unwilling to act, the member present shall choose another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the member present shall on a show of hands or on a poll, if properly demanded elect one of their member entitled to vote to be the chairman of the meeting.

13.3 If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon shall stand dissolved but in any other case the meeting shall stand adjourned to the same day in the next week at the same time and place or such other day and such time and place as the Board my appoint and if at such adjourned meeting quorum be not present them those members who are present and not being less than 5 (five), shall be quorum and may transact the business for which the meeting was called.

13.4 Every question submitted to meeting shall be decided in the first instance by show of hands, and in the case of an equality of votes on show of hands and on poll, the chairman of the meeting shall have a casting vote addition to the vote which he may be entitled as member.

13.5 At any general meeting resolution put to the vote of the meeting shall be decided on show of hands unless a poll is demanded before or on the declaration of the result of show of hands, by (i) at least such number of members as is provided for in Section 109 of the Act; (ii) by the chairman of the meeting; (iii) by any member holding not less than one tenth of the total voting power in respect of the resolution; (iv) by any members present in person or by proxy, and holding shares in the Company conferring right to vote on that resolution being shares on which an aggregate sum has been paid up which is not less than one tenth of the total sum paid upon all the shares conferring that right. Unless, a poll is so demanded, a declaration by the chairman that a resolution has on a show of hands, been carried on unanimously or by a particular majority or lost and entry to that effect in the minute book of the Company shall be the conclusive evidence of the fact without proof to the proportion of the vote recorded in favour of or against that resolution.

13.6 If a poll is demanded as aforesaid it shall be taken up forthwith a question of adjournment or election of chairman of the meeting and in any other case in such manner and at such time not being later than 48 (forty eight) hours from the time when the demand was made and at such place the chairman of the meeting, Directors and subject to as aforesaid, either at once or at an interval or adjournment or otherwise and the result of the poll shall be demand to be the decision of the meeting on the resolution at which the poll was demanded. The demand of a poll may be withdrawn at any time. The demand of a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded.

13.7 The chairman of a general meeting may adjourn the same from time to time and from place to place, but not business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

14. *VOTE OF MEMBERS*

14.1 Subject to these Articles and subject to the provisions of Section 47 of the Act, on a show of hands every member present in person shall have 1 (one) vote and on a poll, every member present in person or by proxy shall have 1 (one) vote for every share held by him.

14.2 A poll vote may be given either personally or by proxy or in the case of body corporate, by a representative duly authorized in that behalf as prescribed by the Act.

14.3 A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

14.4 No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

14.5 The instrument appointing a proxy, shall be in writing under the hand of the appointer or his attorney (duly authorized in writing), or if such appointer is a body corporate, it shall be under its common seal or under the hand of the duly authorized officer of the Company or its attorney (duly authorized). A person may be appointed as a proxy even though he is not the member of the Company.

14.6 The instrument appointing a proxy and the power of attorney shall be deposited at the Office, not later than 48 (forty eight) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll. In default of the foregoing the instrument of proxy shall not be treated as valid.

14.7 A vote given in accordance with the terms of an instrument appointing a proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the shares in respect of which the vote is given, provided that, no intimation in writing of the death, insanity, revocation or transfer of the shares shall have been received by the Company at the Office before the vote is given.

Provided nevertheless, that the chairman of the meeting shall be entitled to require such evidence, as the chairman may in his discretion think fit, of the due execution of the instrument of proxy and that the same has not been revoked.

15. *DIRECTORS*

15.1 Until otherwise determined by the Company in general meetings the number of directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution. The continuing Directors may act notwithstanding any vacancy in their body but if the minimum falls below the number fixed, the board of directors shall not except for the purpose of filling up vacancy in the their number, act as long as the number remains below the minimum.

15.2 The following members shall be the first directors of the Company:

(i) Shri Atmanand Singh;
(ii) Shri Suraj Prasad Sinha;
(iii) Shri Ravindra Kishore Sinha;
(iv) Shri Shivaraj Nandan Sharma;
(v) Shri Jyotindra Mohan Prasad;
(vi) Shri Devendra Kishore Sinha; and
(vii) Shri Shivaram Singh.

15.3 Where the chairman of the board of directors is a non-executive Director, at least one-third of the Board of Directors shall comprise of Independent Directors and where the Company does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of Independent directors.

Provided that where the regular non-executive chairperson is a promoter of the Company or is related to any promoter or person occupying management positions at the level of Board of Directors or at one level below the Board of Directors, at least half of the board of directors of the Company shall consist of Independent Directors. The expression 'related to any promoter' for the purposes of this Article 15.3 shall be construed in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15.4 In addition to the duties set out in the Act, the Board of Directors shall be bound to comply with the duties and obligations placed upon the Board by Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15.5 Notwithstanding the automatic termination of Chapter II of these Articles on the Listing Date, so long as the Investors hold any equity shares in the Company, they shall retain the right to collectively nominate 1 (one) Director to the Board, subject to the approval of such nominee by the shareholders of the Company.

Provided that this right shall be subject to the approval by the shareholders of the Company subsequent to the consummation of the initial public offering and applicable laws.

The Company Shareholders agree to vote in favour of any resolution for the appointment of a director nominated by the Investors to the Board.

15.6 Each Director shall be entitled for remuneration for attending meetings of the Board as may be determined by the Board from time to time, provided that such fees shall not exceed the maximum permissible under the Act. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. The Board of Directors may allow and pay to any Director, who is not a *bona fide* resident of the place where a meeting of the Board is held and who shall come to such place for the purpose of attending a meeting, such sum as the Board of Directors may consider fair compensation for traveling expenses in addition to his remuneration payable from time to time. The Board of Directors may fix the remuneration to be paid to any member or members of the body constituting the committee appointed by the Directors in terms of these Articles, subject to the provisions of these Articles. Subject to the provisions of these Articles, the Board shall have power at any time and from time to time to appoint any person as a Director to the Board. Subject to these Articles any Director so appointed shall hold office of Director until the next annual general meeting and shall, subject to the provisions of Section 161, of the Act be eligible for re-election.

15.7 Subject to the provisions of Section 161 of the Act and of these Articles, the Board may appoint any person (not being a person holding any alternate directorship for any other Director) to act as alternate Director for a Director during the latter's absence for a period of not less than 3 (three) months from India and such appointment shall have effect and such appointed whilst he holds office as an alternate Director shall be entitled to notice of meeting of the Board of Director and to attend and vote thereto accordingly but he shall not require and qualification and shall vacate office as and when the absent director returns to India held or the absent Director vacates office as Director.

15.8 The office of a Director shall become vacant in case:

(i) he incurs any of the disqualifications specified in Section 164;

(ii) he absents himself from all the meetings of the Board of Directors held during a period of 12 (twelve) months with or without seeking leave of absence of the Board;

(iii) he acts in contravention of the provisions of Section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;

(iv) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184;

(v) he becomes disqualified by an order of a court or the Tribunal;

(vi) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months, provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

(vii) he is removed in pursuance of the provisions of the Act; and

(viii) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

15.9 The control and management of the business of the Company shall be vested in the Board of Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them shall be entitled to exercise all such powers and do all such acts and things as the Company is authorised to exercise and to do and are not hereby or by the Act or by the provisions of the other statute or law expressly directed to required to be exercised or done by the shareholders of the Company in general meeting but subject nevertheless to provisions of any statute or law or of the Act, and of these Articles and to any regulations from time as may be made by the Company in general meeting; provided that no regulation so made shall invalidate any prior act of the Directors.

15.10 The Board of Directors subject to the provisions of Section 173 of the Act shall meet together as a board for the dispatch of business from time to time and hold a minimum number of 4 (four) meetings of its Board of Directors every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board. The Directors may adjourn or otherwise regulate the meeting and proceeding as they may think fit.

15.11 The chairman of the Board of Directors, the managing director or any Director or secretary of the Company may at any time convene a meeting of the Directors. The Board of Directors may appoint one of their member as the chairman.

15.12 Question arising at any meeting shall be decided by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote.

15.13 All meetings of the Board of Directors shall be presided over by the chairman, if present, but if at any meeting of director the chairman be not present at the time appointed for holding the same, in that case the Directors shall choose one of their member then present to preside at the meeting. Such chairman may exercise the powers vested to the chairman.

15.14 The quorum for a meeting of the Board of Directors shall be one third of the total strength of the Board of Directors or 2 (two) directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes hereof.

15.15 A meeting of the Board of Directors in which a quorum is present, shall be competent to exercise all or any of the power, authorities or discretion by or under the regulation of the Company, or the Act, for the time being vested in or exercisable by the Directors generally.

15.16 The Director may subject to the provisions of Section 179 of the Act, delegate any of their powers to a committee consisting of such members of their body as they may think fit and they may from time to time, revoke such powers. Any committee so formed shall in exercise of the powers delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors.

15.17 The Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within 30 (thirty) days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered. The books containing the proceedings of general meeting shall be kept at the Office and shall be open during the business hours for such periods not less than in aggregate of 2 (two) hours in each day as the Board of Directors determine, for the inspection of any member without any charges.

15.18 Any casual vacancy occurring in the Board of Directors may be filled by the Board of Directors, but the person so chosen shall be subject to retirement at the same time when the person, in whose place is appointed, was to retire.

16. *MANAGING DIRECTOR*

16.1 Subject to the provisions of the Act (including Section 196 and 203 of the Act specifically) and the "Rules" attached to the Act, the Board may time to time, appoint 1 (one) or more Directors to be the "Managing Director" or "Whole-time Director", or Directors of the Company, for a period not exceeding the period prescribed by the Act, for which he is or they to hold such office, and may from time to time (subject to the provision of any contract between him or them and the Company), and appoint another or others in his place or their places.

16.2 Subject to the provisions of Section 152 of the Act, a Managing Director or Whole-time Director shall not, while he continues to hold office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors or retire, but, (subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as the resignation and removal as the other directors, and he shall, *ipso facto* and immediately cease to be a Managing Director if he cease to hold the office of director from any cause save that if he shall retire by rotation under to provisions of Section 152 of the Act, or otherwise vacates office as a Director at an annual general meeting and be reappointed a Director at the same meeting he shall not, by reason only of such retirement or vacation cease to be Managing Director or Whole-time Director.

16.3 The business of the Company shall be managed and carried on by the Managing Director under the control and supervision of the Board of Directors.

16.4 Subject to the supervision and control of the Board of Directors, such Managing Director shall be entrusted with the general conduct, management and superintendence of the business and affairs to the Company and may exercise all such powers and do all such acts and things as may be exercised or done by Company but the Managing Directors shall not exercise such powers or do any such act or thing which by the provision of these Articles, the Act, or any act of the legislator are expressly directed or required to be exercised or done by the Board of Directors of the Company or by the shareholders of the Company in a general meeting.

16.5 Subject to the supervision and control of the Board of Directors and the provisions of the last preceding Articles, such Managing Director shall have power do to all acts, matters and things deemed necessary and proper of expedient for carrying on the business of the Company including the power to made such investment of the funds of the Company as he/she shall think fit and to made and sign all contracts on behalf of the Company and make, sign, endorse, negotiate and discount on behalf of the Company all bills of lading, cheques, drafts, hundies, promissory notes and all bills other negotiable and transferable instruments.

16.6 All receipts of money paid into the Company shall be signed by such Managing Director whose receipt shall be an effectual discharge for money therein stated to have been received by the Company.

16.7 Subject to the control of the Board of Directors as aforesaid, the Managing Director shall have control of books, papers, securities, documents, properties, assets and effects of the Company and shall have power to employ for the purpose of the Company such employees, clerks, assistants, workmen, solicitors, advocates, brokers and other officers as he/she shall think fit. The Managing Director shall cause minutes to be made in books provided for the purpose of the proceedings of the meeting of the Directors and shareholders of the Company.

17. *LOCAL MANAGEMENT*

17.1 The Board may, subject to the provisions of the Act, make such arrangement, as it may think fit, for the management of the Company's affairs, abroad or in any specified locality in India, and for this purpose appoint a local board, attorney and agent, and fix their remuneration, and delegate to them such powers as the Board may deem requisite and expedient. All cheques, promissory notes, drafts, hundies, 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. The Company shall also exercise the powers provided under Section 88 of the Act, with reference to the keeping of foreign registers.

18. *THE SEAL*

18.1 The Board shall provide for the safe custody of the seal and the seal shall never be used except by the authority previously given by the Board or a committee of the Board authorized by the Board in that behalf.

Any 2 (two) Directors, or 1 (one) Director and the secretary, or 1 (one) Director and such other person as the Board may appoint, shall sign every instrument to which the seal is affixed.

18.2 Provided nevertheless, that any instrument, bearing the seal of the Company and issued for valuable consideration shall be binding on the Company, notwithstanding any regularly touching the authority of the Board to issue the same.

19. ***RESERVES***

19.1 The Board may from time to time before recommending any dividend, set apart and such portion of the profits of the Company as it thinks fit as reserves applicable for any purpose to which the profits of the Company may be properly applied, including to meet contingencies or for the liquidating of any debentures, debts or other liabilities of the Company, for dividends, for preparing, improving or maintaining any of the property of the Company and for such other purpose of the Company as the Board in its absolute discretion thinks conducive to the interests of the Company and may, subject to the provision of Section 186 of the Act, invest the several sums so set aside upon such investment (other than shares of the Company), as the Board may think fit, and from time to time deal with and vary such investment and dispose of all or any part thereof for the benefit of the Company, and may divide the reserves into such special funds as it think fit, with full power to employ the reserve or any parts thereof in the business of the Company, and that without being bound to keep the same separate from the other assets.

19.2 All money carried to the reserve shall, nevertheless, remain and be considered a profit of the Company for the applicable period, subject to due provisions being made for actual loss or depreciation, for the payment of dividends and other provisions. Such moneys and all the other provisions may, subject to Sections 186, 187 and 188 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any bank on deposit or otherwise as the Board may from time to time think proper.

19.3 Any general meeting may, upon the recommendation of the Board, resolve that, any moneys, investments or other assets forming part of the (i) undivided profits of the Company standing to the credit of the reserves; or (ii) any capital redemption reserve account; or in the hands of the Company and available for dividend or representing premium received; be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend, and in the same proportion and on the footing that they receive the same as capital. All or any part of such capitalized fund should be applied on behalf of such shareholders, in paying up, in full, any unissued shares, debentures or debenture-stock of the Company, which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum; provided that any sum standing to the credit of share premium account or a capital redemption reserve account may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

19.4 The Company at a general meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or from any investments representing the same, or any other undistributed profit of the Company, not subject to charge or income tax, be distributed among the members on the footing that they receive the same as capital.

19.5 For the purpose of giving effect to any resolution under the two preceding Articles, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, and may vest such cash in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where required, a proper contract shall be filed in accordance with Article 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.

20. *DIVIDENDS*

20.1 Subject to the (i) relevant provisions of the Act (including Section 123 in particular); and (ii) rights of members entitled to share(s) with preferential or special rights attached to them, under the terms and conditions for the issue of preference shares that may be agreed to between the Company and relevant counterparties under any agreement that may/ may have been entered into between the Company and a relevant counterparty, concerning their respective equity interests in the Company; the profits of the Company from time to time may be determined to be distributed in respect of any year or other period and such monies shall be applied for payment of dividend on the shares, in proportion to the amount of capital paid upon the shares. Provided that unless the Board otherwise determines, all dividends shall be apportioned and paid proportionate 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, 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 Board otherwise determine or the terms of the issue otherwise provide, as the case may be) only entitle the holder of such share to an apportioned amount of such dividends as from the date of payment. However, where any capital is paid in advance of calls made by the Company, any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right on the member (who has paid such advance) to dividend or to participate in profits. Dividends shall also be paid on equity securities in a manner that may be agreed to between the Parties under any agreement that may/ may have been entered into between the Parties concerning their respective equity interests in the Company.

20.2 The Company in general meetings may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provision of Section 127 of the Act, fix time for payment.

20.3 No higher dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.

20.4 Subject to the provisions of Section 123 of the Act, no dividend shall be payable, except out of the profits of the Company or out of moneys provided by the central or state government for the payment of the dividends in pursuance of any guarantee given by such government and no dividend shall carry interest against the Company.

20.5 Subject to the provision of the Act, the declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

20.6 The Board may, from time to time, pay to the members such interim dividends as appeal to the Board to be justified by the profits of the Company.

20.7 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.

20.8 Any general meeting declaring a dividend may make a call on the member of such amount as the meeting affixes. However such call on each member shall not exceed the dividend payable to him, and so that the call is made payable at the same time as the dividend and the dividend may be set off against the call.

20.9 No dividend shall be payable except in cash, provided that nothing in the foregoing shall be deemed to prohibit the capitalization of profits of reserves of the Company, for the purpose of issuing fully paid up bonus shares, or paying up any amount for the time being unpaid on the shares held by the members of the Company.

20.10 A transfer of share shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company.

20.11 Subject to these Articles, no dividend shall be paid in respect of any share except to the registered holder of such share or to his order or to his bankers but nothing contained in this Articles shall be deemed to require the banker of a registered shareholder to make a separate application to the Company for the payment of the dividend nothing in this Article shall deem to effect in any manner the operation of Article 140.

20.12 Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and other payments in respect of such share.

20.13 Unless otherwise directed in accordance with Section 123 of the Act dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant sent through the post, to the registered address of the holders, in case of joint holders, to the registered address of the one of the joint-holders who is the first named in the Register, or to such person and such address as the holders or joint holders, as the case may be, may direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

20.14 There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

20.15 Unpaid or Unclaimed Dividend:

(i) Where the Company has declared a dividend 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 to any shareholder entitled to payment of the Dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "Unpaid Dividend Account".

(ii) 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".

21. *BOOKS & DOCUMENTS*

21.1 The Board shall cause proper books of accounts to be kept in accordance with Section 128 of the Act.

21.2 The books of accounts shall be kept at the Office or at such other place in India as the Board may decide and when such other place is decided, the Company shall, within 7 (seven) days of the decision, file with the Registrar a notice in writing giving the full address of the other place. Further, the Company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.

21.3 The books of accounts and other books and papers shall be opened to inspection during business hours by any Director, Registrar or any officer of the government authorized by the government in this regard.

21.4 The books of account and other books and papers maintained by the Company within India shall be open for inspection at Office or at such other place in India by any director during business hours, and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any director subject to such conditions as may be prescribed: Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors

21.5 The books of accounts of the Company together with the vouchers relevant for any entry in such books of accounts shall be preserved in good order for a period of not less than 8 (eight) years from the date of incorporation of the Company and after the said period or 8 (eight) years, the books of accounts relating to a period of not less than 8 (eight) years immediately preceding the current year shall be preserved in good order.

21.6 The Company shall, and the controlling shareholders shall cause the Company, and the Company shall cause its subsidiaries and affiliates to, keep proper, complete and accurate books of account in rupees in accordance with Indian GAAP.

22. *BALANCE SHEET ACCOUNTS*

22.1 At every annual general meeting the Board shall lay before the Company a financial statement (as defined under Section 2 (40) of the Act) made in accordance with the provisions of Section 129 of the Act and such financial statement shall comply with the requirements of relevant sections of the Act including Sections 129, 130, 131, 134 and of Schedule III to the Act so far as they are applicable to the Company but, save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company, that it may deem expedient.

22.2 There shall be attached to every financial statement laid before the Company a report by the Board complying with Section 134 of the Act.

22.3 A copy of every financial statement (including the balance sheet, profit and loss account, the auditor's report and every document required by law to be annexed or attached to the financial statement, shall, as provided by Section 136 of the Act, not less than 21 (twenty one) days before the meeting, be sent to every such member, debenture-holders, trustee and other person to whom the same is required to be sent by the said Section.

22.4 The Company shall comply with Section 145 of the Act as regards signing copies of the auditor's report and other documents required to be annexed or attached there to with the Register.

22.5 Every balance sheet and profit and loss account of the Company when audited and adopted the Company in general meeting shall be conclusive except as regards any error discovered therein.

23. *AUDIT*

23.1 At least once in every year the books of accounts of the Company shall be examined by 1 (one) or more auditors as the case may be.

23.2 Subject to the relevant provisions of the Act, the members shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the Company at such meeting shall be such as may be prescribed:

Provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting:

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in section 141:

Provided also that the Company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.

23.3 Notwithstanding the foregoing and subject to the provisions of Section 139 of the Act, it is hereby clarified that the Company shall not appoint or re-appoint:

(i) an individual as auditor for more than one term of five consecutive years; and
(ii) an audit firm as auditor for more than two terms of five consecutive years.

23.4 Where the Company has a branch office the provisions of sub-section (8) of Section 143 of the Act shall apply.

23.5 All notice of and other communication relating to any general meeting of the Company, which any member of the Company is entitled to have sent to him/her, shall also be forwarded to the auditors of the Company, and the auditors shall be entitled to attend any general meeting which relates to any part of the business which concerns him/her as auditor.

23.6 The auditor's report (including the auditor's separate, special or supplementary report, if any) shall be read before the Company in a general meeting and shall be open to inspection by any member of the Company.

24. *SERVICE OF NOTICE & DOCUMENTS*

24.1 All notes or other documents may be given or sent by the Company in accordance with the provisions of Sections 20 and 101 of the Act.

24.2 Every person who by operation of law, transfer or other means whatsoever becomes entitled to any share, shall be bound by every notice in respect of the Registrar which shall have been duly given to the person from whom he derives his title to such share.

24.3 Subject to the provisions of these Articles, any notice or document delivered or sent by post or left at the registered address of any member, in pursuance of these Articles shall, notwithstanding the death of such member and whether or not the Company has notice of the death of such member, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons though registered in his name as the holder or joint-holders thereof and such services shall for all purposes of these Presents be deemed sufficient service of such notice or document on his heirs, executors or administrators and all persons if any, jointly interested with him in any such share.

24.4 Each notice, demand or other communication given or made shall be in writing (in English language) and delivered or sent to the relevant party at its address (or such other address as the addressee has by issuing 5 (five) business days' prior written notice specified to the other Parties). Any notice, demand or other communication given or made by letter between countries shall be delivered by registered airmail or international courier service. Any notice, demand or other communication so addressed to the relevant party shall be deemed to have been delivered (a) if delivered in person or by messenger, when proof of delivery is obtained by the delivering party, (b) if sent by post within the same country, on the 5th (fifth) day following posting, and if sent by post to another country, on the 10th (tenth) day following posting, and (c) if given or made by fax, upon dispatch and the receipt of a transmission report confirming dispatch.

25. *REGISTERS & INSPECTIONS*

25.1 As per the provisions of Section 88 of the Act, the Company shall duly keep and maintain at the Office: (i) the Register (indicating separately for each class of equity and preference shares held by each member residing in or outside India); (ii) register of debenture-holders; and (iii) register of any other security holders; with the details of shares/debentures/other securities held in physical and dematerialized form or in any medium as may be permitted by law.

25.2 The register and index of beneficial owners maintained by a depository under Section 11 of the Depository Act, 1996 shall also be deemed to be the register and index of members/debenture holders/other security holders for the purpose of the Act.

25.3 The Company shall be entitled to keep in any country outside India, a part of the Register called foreign register containing the names and particulars of the members, debenture holders, any other security holders or beneficial owners residing outside India.

25.4 The Company shall comply with the requirements of the Act as to the supply of copies of register, deeds, documents, instruments, returns, certificates and books.

25.5 Where under any provisions of the Act, any person (whether a member of the Company or not) is entitled to inspect any register, return, certificate, deeds instrument or documents required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during the hours of 10 a.m. and 12 p.m. on such business days as the Act requires them to be open for inspection.

25.6 The Company may close the Register or the register of debenture holders or the register of other security holders for any period or periods not exceeding in the aggregate 45 (forty-five) days in each year, but not exceeding 30 (thirty) days at any one time, subject to giving of previous notice of at least 7 (seven) days or such lesser period as may be specified by Securities and Exchange Board of India, in such manner as may be prescribed.

26. *SECRECY*

26.1 Every Director, secretary, trustee for the Company, its members, debenture-holders, committee member, officer, servant, agent, accountant or other person employed in or about the business of the Company, shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe strict secrecy with respect to (i) all transactions of the Company with its customers; and (ii) the state of accounts with individuals and in matters relating thereto; and shall also by such declaration, pledge himself not to reveal any of the matters, which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions of these Articles.

26.2 No member or other person (not being Director) shall be entitled to enter upon the property of the Company, or to inspect or examine the premises or properties of the Company, without the permission of the Board, or to require discovery of or any information in respect of any detail of the trading of the Company, or any matter, which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter, whatsoever, which may relate to the conduct of the business of the Company, and which in the opinion of the Board, will neither be appropriate nor expedient nor in the interest of the Company or its business, to be communicated/ disclosed/ imparted to any other Person.

27. *WINDING UP*

27.1 Subject to the provisions of Chapter XX of the Act and the 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.

28. ***INDEMNITY***

28.1 Every Director, Secretary or officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed as Auditors shall be indemnified out the assets of the Company, against all liability incurred by him as such Director, Secretary, Officer, Employee or Auditor in defending any proceedings whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with and application under Section 463 of the Act in which relief granted to him by the Court.

28A. ***SHAREHOLDERS' AGREEMENTS***

The Company Shareholders agree, acknowledge and confirm that they will comply with all the obligations of current agreements that they are party to in their capacity as the promoters/ promoter group of the Company.

CHAPTER II

29. OVERRIDING EFFECT

29.1 Notwithstanding anything to the contrary contained in 'Table F' of the Companies Act, 2013, and Chapter I of the Articles of Association, the provisions of Articles 29 to 62 (hereinafter referred to as "Chapter II") shall have effect notwithstanding anything contained in the other provisions of these Articles. In the event of any conflict between the provisions of this Chapter II and the other provisions of these Articles, the provisions of this Chapter II shall prevail.

29.2 Notwithstanding the foregoing and anything contrary contained herein, upon termination of the Agreement on the Listing Date, the provisions of Article 29 to Article 62 shall cease to have effect.

30. ***DEFINITIONS AND INTERPRETATION***

DEFINITIONS

30.1 In these Articles, and unless the context requires otherwise, the following words and expressions shall have the following meanings:

"AAJV" means AAJV Investment Trust, a private trust established under the Indian Trusts Act, 1882, having its place of business at 9 Mathura Road, Jangpura B, New Delhi 110014;

"Acceptance Period" has the meaning attributed to it in Article 42.7(a);

"Accounts" means the audited balance sheet and cash flow statement of the Company and its Subsidiaries as at the Accounts Date and the profit and loss account of the Company and its Subsidiaries in respect of the Financial Year ended on the Accounts Date, together with any notes, reports, statements or documents included in or annexed to them, all of which are certified by the auditors of the Company or Subsidiaries;

"Accounts Date" means March 31, 2012 in respect of the Companies and Subsidiaries;

"Act" means the Indian Companies Act, 2013, as amended, modified or re-enacted from time to time;

"Additional Payment" has the meaning attributed to it in Article 36.3;

"Affiliate" means, in relation to any Person, any entity controlled, directly or indirectly, by that Person, any entity that controls, directly or indirectly, that Person, or any entity under common control with that Person or, in the case of a natural Person, any Relative (as such term is defined in the Act) of such Person. For the purpose of this definition:

"control" means the power to direct the management and policies of a Person, whether through the ownership of voting capital, by contract or otherwise;

a. A holding or subsidiary company of any company shall be deemed to be an Affiliate of that company;
b. The Company shall be deemed not to be an Affiliate of the Investor; and
c. The Investor Related Party/ies shall be deemed to be Affiliate(s) of the Investors.

"Agreement" means the investment agreement dated April 3, 2013 executed by and amongst the Company, the Promoters, Theano and AAJV;

"Ancillary Agreements" means each of the following agreements:

a. SPA;
b. Supplemental Investment Agreement;
c. Share Escrow Agreement;
d. US SPA; and
e. Undertakings;

"Approvals" has the meaning attributed to it in Article 42.10;

"Assignment and Assumption Agreement" means the assignment and assumption agreement substantially in the form set out in Exhibit B of the Agreement;

"AUD" means Australian Dollars;

"Base Payment" has the meaning attributed to it in Article 36.3;

"Benefit Plan" means each of the following:

a. Employee Stock Option Plan of 2008 of the Company, the terms of which are as disclosed in the Disclosure Letter;
b. MSS Security Employees Incentive Plan 2009; and

"Board" means the board of directors of the Company;

"Business" means: (i) the manned guarding division business wherein the service portfolio comprises of guarding, fire squad, dog squad and bodyguards for industries, banks, retail outlets, residential colonies, offices, hotels and institutions; (ii) consulting and investigation division business wherein the Company conducts pre-employment verification, fraud investigation, due diligence, surveillance, infringement of patents and trademarks and corporate investigations; (iii) ATM caretaker services; (iv) recruitment and training division which works in close alignment with multiple divisions of the Company with an objective of recruiting training and delivering suitable manpower to meet their requirements; (v) electronic security services division wherein the primary area of activity is design, installation and maintenance of access control systems, CCTVs, fire alarm systems, fire suppression systems, intruder/burglar alarms, perimeter protection systems; (vi) facility management, pest control, concierge services and parking; and (vii) cash services including cash in transit, cash pickup and delivery, ATM management, vault & cash processing, emergency response, paramedics, fire fighting and patrolling. All the business lines mentioned above are valid for multiple geographies across India and globally;

"Business Day" means a day (excluding Saturdays and Sundays) on which banks generally are open in Bangalore and New Delhi, India, Port Louis, Mauritius, and Singapore for the transaction of normal banking business;

"Business Plan" means the business plan prepared by or on behalf of the Promoters and the Company, in respect of the Company and its Subsidiaries, which includes details of their respective operations, financials, capital expenditure, and other relevant targets and the documents annexed to that business plan. The Business Plan is annexed at Exhibit C of the Agreement;

"CCPS" means the 1,600,000 (One Million and Six Hundred Thousand) compulsorily convertible preference shares of the Company having a face value of Rs. 100 (Rupees One Hundred) each presently held by DESCO in the Company and having the characteristics set out in Schedule 6 of the Agreement;

"CCDs" means the compulsorily convertible debentures of the Company, having a face value of Rs. 100 (Rupees Hundred only) each to be issued to the Investors in accordance with the terms of the Agreement, and having the characteristics set out at Article 62 hereto;

"Claims" has the meaning attributed to it in Article 36.1(g);

"Claims Notice" has the meaning attributed to it in Article 36.9;

"Class A Convertible Debentures" has the meaning attributed to it in Article 48.4;

"Competitor" means either:

a. any Person in Schedule 17 of the Agreement; and/or
b. a Person who is itself, or through its Affiliates, engaged in:

    (i) the Guarding Business (as defined below) anywhere in the world; and/or
    (ii) the CCPC Business (as defined below) in India or in a territory the Group operates at that point of time; and/or
    (iii) the Other Business (as defined below) in India.

c. Provided that in the case of (b), such person carries on the concerned business specified for third parties (i.e. not on a captive basis for itself and/or its Affiliates) and in case of (b)(ii) and (b)(iii) above, such person carries on the concerned business specified, therein as a substantial part of its business.
d. Provided further that Competitor shall not include a Financial Investor.

For this purpose:

"Financial Investor" means a Person engaged in the business of making investments purely for financial gain, provided such person does not, hold the majority of the share capital of a Competitor.

"Guarding Business" means the manned guarding division business wherein the service portfolio comprises of guarding, patrolling, concierge services, fire squad, dog squad and bodyguards for industries, banks, retail outlets, residential colonies, offices, hotels and institutions;

"CCPC Business" means (i) cash services including cash in transit, cash pickup and delivery, ATM management, vault & cash processing; (ii) facility management and cleaning services; (iii) pest control services; (iv) property management companies providing businesses mentioned in (ii) or (iii) for third parties;

"Other Business" means (i) consulting and investigation division business wherein the Company conducts pre-employment verification, fraud investigation, due diligence, surveillance, infringement of patents and trademarks and corporate investigations; (ii) recruitment and training division which works in close alignment with multiple divisions of the Company with an objective of recruiting training and delivering suitable manpower to meet their requirements; and (iii) electronic security services division wherein the primary area of activity is design, installation and maintenance of access control systems, CCTVs, fire alarm systems, fire suppression systems, intruder/burglar alarms, perimeter protection systems.

"Completion" has the meaning ascribed to it in the Agreement;

“Completion Date” has the meaning ascribed to it in the Agreement;

“Confidential Information” means information, in whatever form, relating to the Business, products, affairs, operations, plans, performance, finances, suppliers, clients, customers and counterparties of any Group Company for the time being confidential to it/them or treated by it/them as such, including trade secrets (including, without t limitation, technical data and know-how) and other intellectual property relating to any Group Company;

“Connected Person/Concern” of the Company includes:

a. any ‘Associate Company’ (as defined by Section 2 (6) of the Act) of the Company;

b. any member, director, officer, key management employee of the Company or any Affiliate of, any such member or Promoter;

c. a Promoter or any Affiliate of a Promoter;

d. The trustees and beneficiaries of any trust in which the Company, the Promoter or any Affiliate of the Promoter is either a trustee or beneficiary;

e. any director of the Company or of any holding or subsidiary company of the Company or of any Affiliate of the Company;

f. any trust in which any Promoter or any Affiliate of a Promoter is a trustee or beneficiary;

g. any director of any holding or subsidiary company of any Promoter or any Affiliate of the Promoter;

h. any Affiliate of the Company or any Affiliate of the Promoters referred to above (“such director”);

i. any firm or unlisted company in which the Company, the Promoters, any such director is a partner, shareholder or director or has any share, control or interest;

j. any listed company in which the Company, the Promoters, any such director is a director or hold/s shares exceeding 5% (five per cent) of the paid-up equity share capital of such listed company;

k. any company, the board of directors, managing director or manager whereof acts or is accustomed to act in accordance with the directions or instructions of the Board, the Promoters, of any such director or of any Affiliate mentioned above; and

l. For the purposes of the definition above, an Affiliate of a Promoter Director is restricted to the Promoter Director’s parents, siblings and children;

“Consent” means any consent, approval, authorization, waiver, permit, grant, franchise, concession, agreement, license, certificate, exemption, Permission, order, registration, declaration, filing, report or notice of, with, to, from or by any Person, including any third party consents, not limited to lender consents;

“Contract” means any agreements, contracts, instruments, obligations, offers, legally binding commitments, arrangements and understandings (whether written or oral) including all loan agreements, indentures, letters of credit (including related letter of credit applications and reimbursement obligations), mortgages, security agreements, pledge agreements, deeds of trust, bonds, notes, guarantees, surety obligations, warranties, licenses, franchises, permits, powers of attorney, purchase orders, leases, including any amendment variation, termination or extension under or in respect of any of the foregoing;

“Consultants” has the meaning attributed to it in Article 39.8;

“Controlling Shareholders” shall mean and include the Promoters except VSCIPL;

“DESCO” means DE Shaw Composite Investments SIS (Mauritius) Limited a company incorporated under the laws of Mauritius, having its registered office at Les Cascades, Edith Cavell Street, Port Louis, Mauritius;

“Desco Shares” means CCPS and 173,913 (One Hundred and Seventy Three Thousand Nine Hundred and Thirteen) Equity Shares (as defined below) held by DESCO;

“Disclosure Letter” means the disclosure letter in agreed form provided by the Company and the Promoters to the Investors (and accepted by it in writing) prior to the execution of the Agreement, which sets out the specific disclosures made by the Promoters and the Company in respect of the Warranties;

“Encumbrance” means any encumbrance, including without limitation, any claim, deed of trust, right of others, security interest, burden, title defect, title retention agreement, Lease, covenant, debenture, mortgage, pledge, charge, hypothecation, lien, deposit by way of security, bill of sale, option interest, proxy, beneficial ownership (including usufruct and similar entitlements), encroachment, public right, easement, common right, way leave, any voting agreement, interest, option, right of first offer, first, last or other refusal right, or transfer restriction in favour of any Person, any adverse claim as to title, possession or use, any provisional or executional attachment and any other interest held by a third party or any agreement, arrangement or obligation to create any of the foregoing;

“Equity Shares” means equity shares of the Company having a face value of Rs. 10 (Rupees Ten only) each;

“Equity Securities” means any Equity Shares or any securities representing, or representing a right (upon conversion, exercise, exchange or otherwise) to receive, Equity Shares, and includes the CCDs, CCPS and convertible debentures issued to the Promoters;

“Escrow Shares” has the meaning attributed to it in Article 45.20;

“Event of Default” has the meaning attributed to it in Article 47.2;

“Exchanges” means the Bombay Stock Exchange Limited, the National Stock Exchange (including, in either case, any successor thereto) or any internationally recognized stock exchange or quotation system acceptable to the Investors;

“Exit Event” means: (i) any initial public offering of the Company; (ii) any merger of the Company; or (iii) any sale of any Investors Shares;

“Expenses” has the meaning attributed to it in Article 0;

“Fair Market Value” means the equity valuation of the Company as determined in the manner and in accordance with the procedures set out in Article 57;

“FMVES” means the value of the Equity Securities in the Company held by the Investors based on Fair Market Value; provided that for this purpose any Equity Shares issued /to be issued pursuant to conversion of the CCDs will not be considered except for any Equity Shares issued to the Investors pursuant to Article 43.17;

“Financial Year” with respect to the Company and its Subsidiaries, means a financial year commencing on 1st April of a calendar year and ending on 31st March in the immediately succeeding calendar year;

“First Reminder” has the meaning attributed to it in Article 38.7 (b);

“GAAP” means Generally Accepted Accounting Principles in India;

“Governmental Authority” includes any nation or government, any state or other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of any nation or any political subdivision thereof; any court, tribunal or arbitrator; and includes the Securities and Exchange Board of India (“SEBI”), recognised stock exchanges or quotation systems, the Reserve Bank of India (“RBI”) and the Foreign Investment Promotion Board (“FIPB”);

“Governmental Approvals” means any Consent, approval, authorization, waiver, permit, grant, franchise, concession, agreement, license, certificate, exemption, order, registration, declaration, filing, report or notice of, with, to, from or by any Governmental Authority;

“Group” means all the Group Companies;

“Group Company” means the Company and any company, which is for the time being a Subsidiary of the Company and is deemed to include, from the date of the Agreement, the following and each of their respective Subsidiaries:

a. Service Master Clean Limited (100% owned) – facilities management in India;

b. Tech SIS Limited (100% owned) – electronic security in India;

c. SIS International Holdings Limited (100% owned) – holding company in BVI;

d. SIS Asia Pacific Holdings Limited (100% owned) – holding company in Malta;

e. SIS Australia Holdings Pty. Limited (100% owned) – 1^{st} level holding company for Australia;

f. SIS Australia Group Pty. Limited (100% owned) – 2^{nd} level holding company for Australia;

g. SIS MSS Security Holdings Pty. Limited (100% owned) – 3^{rd} level holding company for guarding operations in Australia;

h. MSS Security Pty. Limited (100% owned) – guarding operations in Australia;

i. MSS Strategic Medical Pty Limited (100% owned) – medical and emergency response operations in Australia;

j. MSS Security Group Pty. Limited (100% owned) – dormant company in Australia;

k. Australian Security Connections Pty Limited (100% owned)-operating company in Australia;

l. SIS Cash Services Private Limited (51% owned) – a joint venture, for cash management services, with Prosegur Compañia De Seguridad S.A., (“Prosegur”), through Prosegur’s affiliate, Singpai Pte. Limited; and

m. Terminix SIS India Private Limited (50.01% owned) – a joint venture, for pest control services, with Terminix International Company Limited Partnership (“Terminix”), through Terminix’s affiliate, SVM Services (Singapore) Pte. Limited;

“Group Indemnified Parties” has the meaning given to it in Article 0;

“Indemnifiable Amounts” has the meaning attributed to it in Article 0;

“Indemnified Parties” means any and all of the Investor Indemnified Parties and the Group Indemnified Parties (as applicable);

“Indemnitee” has the meaning attributed to it in Article 0;

“Investor Indemnified Parties” has the meaning given to it in Article 0;

“Investment Amount” means, the aggregate amount invested by the Investors into the Company and its Subsidiaries by way of Equity Securities, including the amounts paid under the SPA, US SPA and the Undertakings towards the purchase of the Promoter Sale Shares, US Shares and the Other Sale Shares and including the amounts paid under the Supplemental Investment Agreement;

“Investment Documents” means the Agreement and the Ancillary Agreements;

“Investors” means collectively Theano and AAJV; and each as an “Investor” as the context requires;

“Investor’s Consent” means the prior written consent of the Investors in their absolute discretion;

“Investor Director” has the meaning attributed to it in Article 0;

“Investor Group” means the Investors and any Investor Related Party and Affiliates of the Investors;

“Investor Related Party” means:

a. CX Capital Management Limited and its subsidiary, any holding company of CX Capital Management Limited and any subsidiary undertakings of that parent undertaking (together “CX Group”);

b. any fund, partnership, investment vehicle or other entity (whether corporate or otherwise) established in any jurisdiction and which is either: (a) managed or advised by an entity in the CX Group or by any employee of the CX Group; or (b) utilized for the purpose of allowing CX Group employees (including former employees) to participate directly or indirectly in the growth in value of the CX Group (a) and (b) together being referred to as “CX Funds”; and

c. Investors and employees in CX Group and CX Funds employed as per any arrangement between such parties;

“Investor ROFO Securities” has the meaning attributed to it in Article 42.9(a);

“Investor Sale Notice” has the meaning attributed to it in Article 42.9(a);

“Investors Shares” means the Equity Securities, from time to time, held by the Investors and/or any member of the Investor Group (including the Equity Securities to be issued and/or sold to the Investors under the terms of the Agreement, the Desco Shares to be purchased by Theano under the SPA, the Promoter Sale Shares to be purchased by Theano under the terms hereof, the US Shares to be purchased by Theano and AAJV under the US SPA and the Other Sale Shares purchased by AAJV pursuant to the Undertaking, and any Equity Securities at any time acquired by the Investors or any member of the Investor Group), so long as such Equity Securities are held by any of the Investors or a member of the Investor Group under the terms of the Agreement;

“IRR” means, with reference to the Investors and/or a member of the Investor Group, the discount rate that, when applied to: (i) a specific investment in the Company and/or its Subsidiaries made by the Investors and/or a member of the Investor Group (determined as of the date of contribution of such respective investment, by the Investors and/or a member of the Investor Group), including the purchase price of any Equity Securities purchased by the Investor Group; and (ii) any payments made out by the Company and/or its Subsidiaries to the Investors and/or a member of the Investor Group on account of any distribution of distributable profits, interest, dividends, any proceeds distributed from the sale of assets, any cash and other distributions to the Investors and/or a member of the Investor Group in connection with any liquidation, winding up, buy back, dissolution, merger, consolidation, amalgamation or reorganization, would result in the net present value of that stream of repayments and distributions, to be zero. All such repayments and distributions by the Company and/or its Subsidiaries shall be rupee denominated and calculated net of all duties, actual costs, expenses, and Taxes (other than Taxes on the Investors for income, alternative, minimum, accumulated earnings, capital gains, personal holding company, franchise, share capital, profits, windfall profits of the Investors. It is clarified that such Taxes as described in the preceding sentence shall be limited only to impositions only on the income of the Investors). The IRR shall be computed on the total investment made by the Investors in the Group and for purposes of computing the IRR:

a. all cash inflows and cash out-flows will be discounted to present value using the date wise inflows and outflows as per the Microsoft XIRR Function;

b. any distribution received by the Investors and/or a member of the Investor Group or any capital contribution made by it/them, in either case at any time during a particular month shall be deemed to be received or made (as applicable) by the Investors and/or a member of the Investor Group as on the respective date; and

c. amounts received by the Investors and/or a member of the Investor Group towards any indemnification payments or reimbursement of expenses shall be deemed not to be a distribution.

It is clarified that IRR computation in every instance will include any dividend and interest received by the Investors in respect of, and in relation to, their investment in the Company, but shall not include reimbursements or indemnifications of payments and pre-agreed expenses;

"Issue Price" has the meaning attributed to it in Article 43.16;

"JV Agreements" shall mean: (i) the joint venture agreement dated August 22, 2011, entered into by and between SVM Services (Singapore) Pte. Limited and the Company; and (ii) the joint venture agreement dated May 25, 2011, entered into by and between Singpai Pte. Limited and the Company;

"Joint Lead Managers" means internationally recognized and reputable "bulge" bracket investment or merchant banks of high standing in the relevant markets jointly appointed to act as joint lead managers of the QIPO/initial public offering, all of whom are acceptable to the Parties;

"Key Personnel" means chief executive officer, managing director, chief financial officer, chief operating officer, in each case by whatever title or equivalent title so given from time to time, of the Company, as more particularly detailed in Schedule 17 of the Agreement;

"Law" includes all treaties, statutes, enactments, acts of legislature or parliament, laws (including rules of equity), codes, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders, decisions, decrees of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange and Governmental Approvals;

"LCIA Rules" has the meaning attributed to it in Article 56.1;

"Leases" means real property and equipment leases, sub-leases, licenses and occupancy agreements;

"Liquidity Event" means:

a. any transaction, including without limitation, a merger or any form of corporate reorganisation which results in: (a) the acquisition by any Person (other than the Promoters or the Investors) of the entire Business or assets of the Company; or (b) the acquisition of control (either directly or indirectly) over the Company by any Person, other than the Promoters or the Investors; or

b. a Transfer, Lease or license of all or such portion of the assets, business, undertaking and/or shareholding or similar transaction of any of the Subsidiaries which results in the Transfer, Lease or license of 50% (Fifty per cent) or more of the Company's direct or indirect interest in the entire asset, shares , business, etc. in that Subsidiary; or

c. A Strategic Sale as provided in Article 45.13 to 45.16 of the Agreement.

Provided that a "Liquidity Event" shall not include any of the above events which the Parties in writing agree is not a Liquidity Event.

"Liquidity Preference Amount" has the meaning attributed to it in Article 49.1

"Litigation" includes any action, cause of action, claim, demand, suit, proceeding, citation, summons, subpoena, inquiry or investigation of any nature, civil, criminal, regulatory or otherwise, in law or in equity, pending or (to the best of the knowledge of the relevant Person) threatened, by or before any court, tribunal, arbitrator or other Governmental Authority;

"Losses" includes all losses, claims, demands, liabilities, obligations, fines, expenses, royalties, Litigation, deficiencies, costs, and damages, including interests and penalties with respect thereto and actual out-of-pocket expenses, including reasonable attorneys' and accountants' fees and disbursements and in relation to the Investors, and shall include any diminution in the value of the securities of the Company and/or the Subsidiaries. It is clarified that "Losses" shall not include indirect and consequential losses, other than for losses arising out of : (i) any diminution in the value of securities of the Company or any subsidiary or (ii) of any breach of any covenant and/or fraud or wilful misrepresentation) and or any breach of the Warranties under the following Clauses of Schedule 10 of the Agreement : (i) 5 (Title of the Subscription Securities and the Sale Shares), (ii) 2 (Due execution of the Agreement and all the ancillary documents/ agreement), (iii) 3 (Absence of conflicts), (iii) 15 (Solvency), (iv) 2 (Capacity of the Company, Subsidiaries, and the Promoters to enter into the Agreement and all the Ancillary Agreements;

"Material Adverse Effect" means any:

a. event, occurrence, fact, condition, change, development or effect that is, or may reasonably be, materially adverse to the valuation, business, operations, prospects, profits, results of operations, condition (financial or otherwise), properties (including intangible properties), assets (including intangible assets) or liabilities of the Company, any Subsidiary, and/or the Business;

b. material impairment of the ability of the Company, the Promoters or any other party (other than the Investors) to exercise its rights or perform its obligations under the Investment Documents to which it is a party;

c. any material breach or default by a party (other than the Investors) under the Investment Documents; or

d. the invalidity, unenforceability, illegality, repudiation or termination of the Investment Documents (or any material provision of any such Investment Documents); and

e. Provided that, for the purposes of Clause 5 (Conditions Precedent) of the Agreement, "Material Adverse Effect" shall, in addition to the above, also be deemed to include 'any material adverse change in India or financial markets'.

"Minimum Realization" has the meaning attributed to it in Article 45.15;

"MIS" has the meaning attributed to it in Article 44.3;

"New Shareholder(s)" means any Shareholder Party other than the Promoters and the Investors;

“Observer” has the meaning attributed to it in Article 0;

“Offeror” has the meaning attributed to it in Article 42.9;

“Offer for Sale” has the meaning attributed to it in Article 45.12;

“Offered Shares” has the meaning attributed to it in Article 42.8 (a);

“OFS Extension Period” has the meaning attributed to it in Article 45.25 (2);

“Organizational Documents” means the articles of incorporation, certificate of incorporation, charter, bylaws, memorandum and articles of association, articles of formation, trust deeds, regulations, operating agreement, certificate of limited partnership, partnership agreement, and all other similar documents, instruments or certificates executed, adopted, or filed in connection with the creation, formation, or organization of a Person, including any amendments thereto;

“Other Sale Shares” means 15,912 (Fifteen Thousand Nine Hundred And Twelve) Equity Shares held by the Other Shareholders;

“Other Shareholders” means the persons listed in Schedule 9 of the Agreement;

“Parties” means the parties to the Agreement and “Party” shall be construed accordingly;

“Permission” means any permission, approval or other equivalent Consent, authorisation or licence given or deemed to be given and includes any planning permission, approval or other equivalent Consent, authorisation or licence given or deemed to be given pursuant to Planning and Zoning Legislation and includes all conditions attached to it;

“Person(s)” means any individual, sole proprietorship, unincorporated association, unincorporated organization, firm, body corporate, corporation, company, partnership, unlimited or limited liability company, joint venture, Governmental Authority, business trust or trust or any other entity or organization;

“Promote” has the meaning attributed to it in Article 48.3;

“Promoters” mean (1) Mr. Ravindra Kishore Sinha (2) Mr. Rituraj Kishore Sinha (3) Mrs Rita Kishore Sinha (4) Mrs Rivoli Sinha Aggarwal (5) VSCIPL;

“Promoter Acceptance Period” has the meaning attributed to it in Article 42.9(a);

“Promoter Offer Price” has the meaning attributed to it in Article 42.9(a);

“Promoter Offer Price Notice” has the meaning attributed to it in Article 42.9(a);

“Promoter Sale Notice” has the meaning attributed to it in Article 42.8 (a);

“Promoter Sale Shares” means 144,684 (One Thousand Forty Four Thousand Six Hundred and Eighty Four) Equity Shares held by Mr. Ravindra Kishore Sinha;

“Promoter Director” shall mean a Promoter who is a director on the Board and / or the board of any of the Subsidiaries of the Company;

“Properties” means the properties of the Group as described in Schedule 15 of the Agreement;

“Property Transfer Certificate” has the meaning attributed to it in Article 44.4 (d);

“QIPO” means an initial public offering of Equity Securities by the Company in accordance with Articles 45.2 to 45.12;

“QIPO Extension Period” has the meaning attributed to it in Article 45.25(1);

“ROFO Offeree” has the meaning attributed to it in Article 42.7(a);

“ROFO Offer Price” has the meaning attributed to it in Article 42.7(a);

“ROFO Offer Price Notice” has the meaning attributed to it in Article 42.7(a);

“ROFO Securities” has the meaning attributed to it in Article 42.7(a);

“Realizations” has the meaning attributed to it in Article 48.1;

“Reorganisation” means every issue by way of capitalisation of profits or reserves and every issue by way of rights or bonus and every consolidation or sub-division or reduction of capital, buy-back of securities or capital distribution or other reconstruction or adjustment relating to the equity share capital of the Company and any amalgamation or reconstruction affecting the equity share capital of the Company;

“Representatives” means, as to any Person, its accountants, financial advisers, financiers, counsels, consultants (including actuarial, and industry consultants), officers, directors, employees, agents and other advisors;

“Required Governmental Approvals” means such Governmental Approvals as may be necessary or advisable for the subscription of the Subscription Securities and the purchase of Desco Shares and the Sale Shares by the Investors on the terms contained in the Investment Documents and the consumation of the transactions contemplated in the Investment Documents, including any Governmental Approvals which are granted automatically contingent upon requisite filing of specified documents and/or reports being made;

“Reserved Matters” means the matters specified in Article 58;

“Response Notice” has the meaning attributed to it in Article 42.8(b);

“Rupees”or “Rs.” means the lawful currency of the Republic of India;

“SPA” share purchase agreement dated April 3, 2013 entered into by and amongst DESCO, the Company and Theano;

“Sale Notice” has the meaning attributed to it in Article 42.7(a);

“Sale Period” has the meaning attributed to it in Article 42.7(b);

“Sale Price” means an aggregate amount of Rs. 363,003,557 (Rupees Three Hundred and Sixty Three Million Three Thousand Five Hundred and Fifty Seven only) payable by the Investors for the Sale Shares;

“Sale Shares” means the Promoter Sale Shares, the US Shares and the Other Sale Shares;

“Second Reminder” has the meaning attributed to it in Article 38.7(b);

“Securities” has the meaning given to it in the Securities Contracts (Regulation) Act, 1956;

“Selling Shareholders” means collectively Mr. Ravindra Kishore Sinha, Mr. Uday Singh and Other Shareholders;

"Shareholders Meeting" has the meaning attributed to it in Article 41.3;

"Shareholder Party" means a Person who becomes a party to the Agreement by executing the Assignment and Assumption Agreement;

"Share Escrow Agreement" has the meaning attributed to it in the Agreement;

"Subsidiary" has the meaning given to such term in Section 2 of the Act. It is clarified that for the purposes of the Agreement, any reference to "Subsidiaries" shall, in respect of the Company, include the Group Companies and any other future subsidiaries of the Company and the Group Companies;

"Specified Security" means the 1 (one) convertible preference share, having no face value, issued by the BVI Company and subscribed to by the Theano pursuant to the Supplemental Investment Agreement;

"Strategic Sale" has the meaning attributed to it in Article 45.13 to 45.16;

"Subscription Price" means an aggregate amount of Rs. 300,000,000/- (Rupees Three Hundred Million only) payable by the Investors for the Subscription Securities to be issued to the Investors on Completion (as defined under the Investment Agreement);

"Subscription Securities" means collectively (i) 1,727,485 (One Million Seven Hundred Twenty Seven Thousand Four Hundred and Eighty Five) CCDs allotted to Theano, (ii) 34,895 (Thirty Four Thousand Eight Hundred and Ninety Five) CCDs allotted to AAJV (iii) 146,205 (One Hundred Forty Six Thousand Two Hundred and Five) Equity Shares allotted to Theano and (iv) 2,953 (Two thousand nine hundred and fifty three) Equity Shares allotted to AAJV as per the terms of the Agreement;

"Supplemental Investment Agreement" means the agreement dated April 3, 2013 entered into amongst the Company, SIS International Holdings Limited, a company incorporated in the British Virgin Islands with company number 1492571, having its registered office at Marcy Building, 2nd Floor, Purcell Estate, P.O. Box 2416, Road Town, Tortola, British Virgin Islands (the " BVI Company") and Theano;

"Tag Along Period" has the meaning attributed to it in Article 42.8(b);

"Tag Securities" has the meaning attributed to it in Article 42.8(b);

"Tax" or "Taxation" means any central, federal, state, local or foreign income, alternative, minimum, accumulated earnings, capital gains, personal holding company, franchise, share capital, profits, windfall profits, gross receipts, sales, use, value added, transfer, registration, transaction, documentary, recording, listing, stamp, premium, excise, customs, severance, environmental, real property, personal property, ad valorem, occupancy, license, occupation, wage, withholding, provident fund, insurance, gratuity, employment, payroll, social security, disability, unemployment, workers' compensation, withholding, dividend or other similar tax, duty, fee, contribution, levy, impost, assessment or other governmental charge or deficiencies thereof (including all interests, surcharges, fines and penalties thereon and additions thereto) due, payable, levied, imposed upon or claimed to be owed;

"Tax Holiday" includes any relief from Taxation, or allowance, exemption, set-off or deduction in computing, or against, profits, income or gains for the purposes of Taxation, or a credit against Taxation;

"Tax Return" means any return, report, declaration, form, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof;

"Termination Date" has the meaning given to it in Article 51.3;

"Term Sheet Extension Period" has the meaning attributed to it in Article 45.25(1);

"Theano" means Theano Private Limited, a private limited company incorporated under the laws of Mauritius and having its registered office at Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius;

"Third Party Buyer" has the meaning attributed to it in Article 42.9(b);

"Third Party Transfer" has the meaning attributed to it in Article 42.7;

"Third Party Purchaser" has the meaning attributed to it in Article 42.7(b);

"Transfer" includes any transfer, assignment, sale, disposal, lease, alienation, amalgamation, merger, or Encumbrance in each case whether voluntary or involuntary;

"Transfer Period" has the meaning attributed to it in Article 42.9(b);

"Transferred Property" has the meaning attributed to it in Article 44.4 (a);

"Transferor" has the meaning attributed to it in Article 42.7;

"US Shares" means 19,888 (Nineteen Thousand Eight Hundred and Eighty Eight) Equity Shares held by Mr. Uday Singh;

"US SPA" means the share purchase agreement dated April 3, 2013 entered into by and amongst Theano, AAJV and Mr. Uday Singh for the purchase of the US Shares by Theano and AAJV;

"Undertakings" shall mean the undertaking in agreed form, duly executed by each of the Other Shareholders for sale of the Other Sale Shares;

"VSCIPL" shall mean Vocational Skills Council India Private Limited, a company incorporated in India under the provisions of the Indian Companies Act, 1956 and whose registered office is at Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna, Bihar;

"Warranty(ies)" means the representations and warranties provided by the Company and the Promoters, and including those set out in Clause 10 and Schedule 10 of the Agreement; and

"Written Consent" has the meaning attributed to it in Article 41.3.

INTERPRETATION

30.2 In these Articles, unless the context requires otherwise:

(i) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the Agreement;

(ii) references to one gender shall include all genders;

(iii) any reference to any enactment or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;

(iv) words in the singular shall include the plural and vice versa;

(v) any reference to a clause, schedule or exhibit shall be deemed to be a reference to an Clause, Schedule or Exhibit of the Agreement;

(vi) references to an agreement or document shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document and, if applicable, of the Agreement with respect to amendments;

(vii) any reference to a Party to the Agreement shall include, in the case of a body corporate, references to its successors and permitted assigns and in the case of a natural Person, to his or her heirs, executors, administrators and legal representatives, each of whom shall be bound by the provisions of the Agreement in the same manner as the Party itself is bound; any reference to a document in agreed form is to a document in form and substance agreed among the Company, the Promoters, the Investors and such other parties to the relevant Investment Documents;

(viii) the words “hereby,” “herein,” “hereof,” “hereunder” and words of similar import refer to the Agreement as a whole (including any Schedules and Exhibits hereto) and not merely to the specific article, Clause or paragraph in which such word appears;

(ix) the words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation”; and

(x) terms defined elsewhere in these Articles and not covered in Article 2.1 shall, unless inconsistent with the context or meaning thereof, bear the same meaning as ascribed to them throughout these Articles.

30.3 The rights and obligations of each of Theano and AAJV hereunder shall be several and not joint or joint and several provided that the aforesaid shall not result in a multiplication of the rights granted hereunder. Subject as aforesaid, (i) Theano and AAJV shall be entitled to exercise its rights hereunder independent of each other; (ii) Any of the rights of Theano and AAJV hereunder may be exercised by any Investor Related Party, provided such Investor Related Party has signed an Assignment and Assumption Agreement agreeing to be bound by the terms of the Agreement. Theano shall be entitled to assign any part of the securities and/or rights held by it under the Supplemental Investment Agreement to AAJV. The securities held by Theano under the Supplemental Investment Agreement shall be subject to the same restrictions on transfer as the securities held by the Investors in the Company in accordance with the terms of the Agreement.

31. *FUNDAMENTAL TERMS*

31.1 The Promoters and the Company acknowledge and agree that it is a fundamental term of the Agreement that the Investors shall be entitled to realise their investment in the Company in accordance with the terms of the Agreement and in particular:

(i) it is the primary objective of the Company to make an initial public offering or a Strategic Sale in the manner and on the terms contained in the Agreement;

(ii) the Promoters and the Company shall comply with their obligations under the Investment Documents and applicable Law; and

(iii) the Promoters and the Company undertake to the Investors to waive any rights, remedies or claims which they may have in respect of the legal enforceability of any rights of the Investors hereunder.

31.2 The Company and the Promoters will, subject to applicable Law, ensure that the Investors shall not be considered or classified to be the ‘promoters’ of the Company under applicable Laws for any reason whatsoever and the Investors Shares are not subject to any restriction on Transfer or otherwise (including that of lock-in or other restriction) which are applicable to promoters under any applicable Law.

31.3 Immediately after the Transfer of Desco Shares from DESCO to Theano has been consummated in accordance with the terms of the SPA and in any event prior to March 31, 2013: (i) the CCPS shall be converted into Equity Shares and consequently 464,686 (Four hundred and sixty four thousand six hundred and eighty six) Equity Shares shall be issued and allotted to the Investor; and (ii) the 230,966 (two hundred and thirty thousand nine hundred and sixty six) optionally fully convertible debentures held by Security Skills Council of India Limited shall be converted into 230,966 (two hundred and thirty thousand nine hundred and sixty six) Equity shares of the Company bearing face value of Rs. 10 (Rupees Ten) each.

32. ***USE OF PROCEEDS & CONVERSION***

32.1 The Company agrees to use the proceeds of Subscription Securities as specified in Schedule 3 of the Agreement.

32.2 The CCDs shall be convertible in accordance with their terms and conditions and the provisions of the Agreement. Consequently, the shareholding of the Investors on conversion of CCDs shall be X number of Equity Shares, whereby X shall be the lower of (i) 212,402 (two hundred and twelve thousand four hundred and two only) Equity Shares and (ii) the higher of: (a) such number of Equity Shares as is determined in accordance with the other provisions of the Agreement; and (b) such minimum number of Equity Shares as will, together with the other Investors' Equity Shares, represent a value which is equal to or greater than the Minimum Realisation, based on the value of the Investors' Shares in the concerned Liquidity Event.

Hence:

X= the lower of A and B, where:
A= 212,402 (two hundred and twelve thousand four hundred and two only) Equity Shares;
B = the higher of (i) the number of Equity Shares determined under the other provisions of the Agreement and (ii) the minimum number of Equity Shares whose value in a Liquidity Event, together with the other Investors' Shares, is equal to or greater than the Minimum Realisation.

32.3 The CCDs shall be convertible into a maximum of 212,402 (two hundred and twelve thousand four hundred and two only) Equity Shares in accordance with their terms.

33. ***ADDITIONAL SUBSCRIPTION***

33.1 Pursuant to the Supplemental Investment Agreement, Theano shall, subscribe to the Specified Security for a price of AUD 1 (one).

33.2 The Specified Security shall be convertible into such number of equity shares of the fully diluted share capital of the BVI Company as contemplated under the Supplemental Investment Agreement in accordance with the other provisions of the Agreement and the Supplemental Investment Agreement. The terms of the Specified Security shall be included in the Supplemental Investment Agreement and shall not be amended except with the consent of the parties to the Supplemental Investment Agreement.

33.3 Subject to Article 33.2 above and the Rights of the Investors under the Agreement, the Company shall at all times hold 100% (One Hundred per cent) of the BVI Company and maintain the Group Structure and shareholding in Group Companies as on the date hereof.

34. ***POST-COMPLETION MATTERS***

34.1 The Company and the Promoters shall fulfil in form and substance satisfactory to the Investors, the following undertakings:

(i) The Company shall, within 15 (fifteen) days of the Completion Date, file form FC-GPR (together with all enclosures thereto) with the concerned authorised dealer in relation to the issuance of the Subscription Securities to the Investors;

(ii) Within 15 (fifteen) days from Completion, the Company shall intimate ICICI Bank in writing of change in constitution of the Company pursuant to the Agreement;

(iii) Within 10 (ten) days from Completion, the Company shall commence dematerialisation of the Subscription Securities and the Other Sale Shares; and

(iv) Within 30 (days) from Completion, the Company shall deliver to AAJV duly executed receipts by each of the Other Shareholders in the form attached at Schedule 19 of the Agreement, confirming the receipt by each of the Other Shareholders of the consideration paid for their respective Other Sale Shares.

35. PROMOTER COVENANTS

35.1 Subject to the terms hereof, the Promoters shall not Transfer any of the Equity Securities held by them in the Company at any time prior to a QIPO or a Strategic Sale (as defined below) of the Company. Provided that, the Promoters may Transfer a maximum of 10% (ten percent) of the share capital held by the Promoters, to a third party without the consent of the Investors. Provided further that, if any of the aforesaid Equity Shares are sold, then such sale shall be at a price in excess of Rs. 2011.28/- (Rupees Two thousand and eleven decimal point twenty eight) per Equity Share and subject to the Tag Along rights of the Investor. Such price limitation shall not apply to a pledge, which pledge is within the above limits.

35.2 Any purchaser of such Equity Shares shall enter into an Assignment and Assumption Agreement prior to acquiring such Equity Shares of the Company.

35.3 The Promoters shall:

(i) ensure that the BVI Company remains a wholly owned subsidiary of the Company except as otherwise provided herein;

(ii) ensure that the shareholding pattern mentioned in Exhibit A of the Agreement is maintained including that the Company holds 100% (One Hundred per cent) of the share capital of the BVI Company and holds and maintains its shareholdings in the BVI Company as at the date of the Agreement, subject only to any Transfer that is expressly permitted under the Investment Documents. Futher, the Group holding structure as set out in Exhibit A of the Agreement to the Agreement shall remain unchanged during the subsistence of the Agreement, except as provided hereunder;

(iii) ensure that the Company and the BVI Company comply with the Supplemental Investment Agreement and exercise and perform their respective rights subject to and in accordance with the terms of the Investment Documents;

(iv) ensure that other than the pledge of shares of SIS MSS Security Holdings Pty. Ltd to State Bank of India, no other present or future charge shall be created on the shares of any Subsidiary of the Company without the Investor's Consent;

(v) ensure and procure: (i) that immediately upon (and in any event within 60 (sixty) days of) release of the pledge of Escrow Shares with State Bank of India and in any event no later than December 31, 2015, the Company and the other parties to the Share Escrow Agreement shall execute and deliver the Share Escrow Agreement to the Investors; (ii) the fulfilment of all conditions under the Share Escrow Agreement so that the Share Escrow Agreement is in full force and effect and have become unconditional post execution of the same;

(vi) ensure that the Company and its Subsidiaries comply with all applicable Laws and the conditions applicable under any Consents and Governmental Approvals applicable to them;

(vii) ensure that the Company and its Subsidiaries maintain and obtain all required Consents for their respective business and adhere to the terms and conditions thereof;

(viii) ensure that the statutory books and registers of the Company and its Subsidiaries are duly maintained as per applicable Law; and

(ix) if the Company or any Subsidiary is in financial distress and is renegotiating or attempting to renegotiate or restructure the terms of any of the Indebtedness availed of by such Company or its Subsidiary, then the Investors shall be entitled to participate in any such negotiations and discussions with such Company or its Subsidiary and any other relevant third party (including lenders).

36. *INDEMNIFICATION*

36.1 The Company and the Promoters covenant and agree to, jointly and severally, indemnify, defend and hold harmless, at any time and from time to time, the Investors and the Investor Related Parties (the "Investor Indemnified Parties"); and the Promoters covenant and agree to defend and hold harmless, at any time and from time to time, the Company and each Group Company ("Group Indemnified Parties", and together with the Investor Indemnified Parties ("Indemnified Parties") from and against, and pay or reimburse the relevant Indemnified Parties for any and all Losses, relating to or arising out of or in connection with:

(i) any breach of any Warranty under any Investment Document by a Person (other than the Investors and DESCO);

(ii) any breach, default or violation of or failure to fulfil any covenant, obligation, agreement or un-waived condition under any Investment Document by any Person (other than the Investors and DESCO);

(iii) any Losses arising from any defect, infirmity, failure to obtain Governmental or other Consents or approvals and/or any other Losses suffered by the Investors in connection with the purchase of the Desco Shares and their conversion into Equity Shares in accordance with the terms hereof and the SPA, save and except for any liabilities on account of Taxes which will be borne in accordance with the SPA;

(iv) any liabilities (including contingent liabilities) of the Company or any of its Subsidiaries as on Accounts Date not disclosed to the Investors in the Accounts prior to the execution of the Agreement;

(v) any default or gross negligence or wilful misconduct or Fraud or material breach of any Law on the part of the Promoters and/or the Company or its Subsidiaries;

(vi) any Litigation, actions, proceedings, claims, liabilities (including statutory liability), penalties, demands and costs (including reimbursement of any loss suffered by any Indemnified Party) awards or damages against or involving the Company or its Subsidiaries or their respective businesses which are not disclosed in the Disclosure Letter;

(vii) any pending suit, litigation, prosecution, mediation, arbitration, enquiry or claims ("Claims") against the Company or its Subsidiaries or any Claims which may be made against the Company or its Subsidiaries which are not disclosed in the Disclosure Letter; and/or

(viii) the Agreement and any and all costs and expenses incurred by the Investors in respect of a claim under this indemnity.

36.2 The Promoters hereby indemnify the Indemnified Parties and agree to keep the Indemnified Parties fully indemnified against, all Losses relating to or arising out of or in connection with any actual claim, legal action, proceeding, suit, litigation, prosecution, mediation, arbitration or enquiry by or against any Indemnified Party, where it relates to any event, matter or circumstance in relation to the Promoters, the Company or its Subsidiaries or the Business as covered in Article 36.1 above.

36.3 The Investors shall, in their absolute discretion, from time to time in respect of any Claim arising under this Article 36 determine: (a) whether the Promoters and/or the Company shall indemnify the relevant

Indemnified Party in respect of that Claim; (b) which Indemnified Party (or more than one, as relevant) shall be indemnified in respect of that Claim; and (c) the allocation of the indemnity as between the relevant Indemnified Party (or more than one, as relevant) and the Investors shall notify the Promoters and the Company in writing of its determination. The Promoters and the Company agree to comply with that determination. Such indemnity payments by the Promoters/Company as per the instructions of the Investors will discharge the Promoters/Company from further payments in this regard for the same Losses to those Indemnified Parties. As the Investors are shareholders in the Company, and therefore, the Company is partly owned by the Investors, the amounts payable by the Company to the Investors pursuant to this Article 36 (as indemnification for the Losses suffered by the Investors) will be grossed up taking into account the Investors shareholding in the Company as on the date of indemnification. If the Promoters are, in accordance with this Article 36, required to indemnify an Indemnified Party in respect of a Claim arising due to an act or omission of the Company or any of its Subsidiaries, the Promoters expressly agree to waive any rights of counter-indemnity or other rights at Law against the Company and its Subsidiaries (as relevant) in respect of that indemnity. Any Loss suffered by the Company as a result of a breach of any Warranties and/or covenants under the Agreement shall be deemed to be a Loss for the Investors computed to the extent of its shareholding. In respect of any matter in relation to which the Investors are entitled to be indemnified by the Company or the Promoters under the Agreement, in the event that any of the Company, its Subsidiaries or the Promoters makes any payment (the "Base Payment") to the Investors hereunder, the Company or such Promoters shall make a further payment (the "Additional Payment") to the Investors so that the sum of the Base Payment and the Additional Payment shall, after deducting from such payments the amount of all Taxes required to be paid in respect of the receipt or accrual of the Base Payment, be equal to the Base Payment. To the extent that the Base Payment represents additional accretion in the value of the Investors Shares, such Additional Payment shall be reduced to the extent of any Taxes that the Investors shall have had to bear at the time of an Exit Event, as if the Additional Payment had formed part of the sale consideration received by the Investors in such Exit Event. Notwithstanding the foregoing, no Person shall have the right to, and shall not be paid, any reimbursement from the Company or its Subsidiaries for any indemnity amount it paid to the Investors if it is obliged to indemnify the Investors under this Article 36.

36.4 The Investors shall be entitled, where a third party claim has been made on the Investors pursuant to the transactions contemplated in the Agreement and the Ancillary Agreements, to take such action as it may deem necessary to avoid, dispute, deny, resist, appeal, compromise or contest or settle any claim (including without limitation, making claims or counterclaims against third parties). The indemnification rights under the Agreement are independent of, and in addition to, such other rights and remedies of the Indemnified Parties may have at Law or in equity or otherwise, including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.

36.5 In the event any of the Indemnified Parties are involved in defending a claim from a third party, then the remaining Parties agree to reasonably co-operate with the party defending the Claim. In the event both the Investors and the Company/Promoters are a party to any proceeding under this Article the Parties agree to reasonably co-operate with each other.

36.6 It is acknowledged and agreed that the benefit of the Warranties and of the indemnities granted under this Article 36 of the Agreement and this Article shall extend also to any and all Losses in relation to the Investors Shares including the Subscription Securities, the Desco Shares, the Sale Shares and all Equity Shares issued on conversion of the CCPS and CCDs.

36.7 The Promoters undertake to pay to the Investors an amount equal to such proportion of any and all Taxes (other than those which have been specifically identified and excluded in the Disclosure Schedule) payable or suffered by the Company in respect of the period prior to Completion as is equal to the proportion of the Investors Shares in the Company's share capital in respect of or arising from any transaction effected or deemed to have been effected on or prior to the Completion.

36.8 The Investors acknowledge that in indemnifying the Indemnified Parties in accordance with this Article 36, the Promoters may either pay such amounts as may be required to be paid to the Indemnified Party or invest such amounts into the Company, in each case, so as to ensure that the Investors are fully indemnified.

36.9 Indemnification Procedure - In the event that any Investor Indemnified Party becomes aware of any matter that it believes has resulted in Losses and for which it is asserting an indemnification claim against the Promoters/ Company, the Investor Indemnified Party shall notify the Company and the Promoters of such matter ("Claims Notice"). The Company/Promoters may (i) either accept the contents of the Claim notice in which event it will indemnify the Investor Indemnified Party for the amounts claimed or (ii) contest the Claims Notice in which event the matter will be resolved as per Article 56.

(i) Time Limitations: The obligation of the Indemnifying Parties to indemnify the Indemnified Parties in respect of any breach of Warranties under the Agreement shall survive for time periods mentioned below:

(a) All claims pertaining to: (i) 5 (related to Title of the Subscription Securities and the Sale Shares), (ii) 2 (Due execution of the Agreement and all the ancillary documents/ agreement), (iii) 3 (Absence of conflicts), (iii) 15 (Solvency), (iv) 2 (Capacity of the Company, Subsidiaries, and the Promoters to enter into the Agreement and all the Ancillary Agreements, and (v) Fraud, shall be capable of being made at any time, and the corresponding Warranties set out in Schedule 10 of the Agreement shall remain in force for the period during which such claim shall be capable of being made;

(b) All Claims in respect of claims pertaining to a breach of any Warranties pertaining to any statutory claims, including without limitation, claims pertaining to Clause 8.4 of Schedule 10 of the Agreement (Taxation), may be made within the applicable statutory period of limitation; and

(c) All Claims in relation to a breach of all other Warranties can be made at any time prior to the expiry of 3 (three) years from the Completion.

(ii) De Minimis Losses: Notwithstanding anything contained to the contrary, any Losses in respect of any individual event or occurrence that is less than Rs. 2,000,000 (Rupees Two Million only) shall not be claimed unless the aggregate of such claims is more than Rs. 2,000,000 (Rupees Two Million only), in which event the Indemnified Parties shall be entitled to claim the entire amount of Loss suffered or incurred and not only the portion of the Loss that exceeds Rs. 2,000,000 (Rupees Two Million only). For this purpose, Losses arising out of the same or related events shall be aggregated.

(iii) Insured Claims: In the event the Losses suffered by the Indemnified Parties due to a breach of Warranty are the subject-matter of an insurance policy maintained in that regard, then the Parties shall perform the necessary procedure with respect to the insurance claim and endeavour that the insurer releases the necessary payment to the Indemnified Parties in a timely manner.

(iv) No Double Recovery: Each Party agrees that it shall not be entitled to obtain payment, reimbursement, restitution or indemnity more than once in respect of the same Loss from any other Party or any other insurer in this regard.

(v) Subsequent Recovery: If either of the Company and/or the Promoters pay an amount in discharge of a claim and the Indemnified Parties subsequently recover (whether by payment, discount, credit, or other measurable relief) from a third party a sum that is solely referable to the subject matter of the claim and that would not otherwise have been received by the Indemnified Parties, the Indemnified Parties will pay to the Company and/or the Promoters an amount equal to the sum recovered from the third party less any reasonable costs and expenses incurred in obtaining such recovery towards the indemnity paid to the Indemnified Parties.

(vi) Changes in Applicable Law: No Party shall be obligated to indemnify another Party in respect of breach of any Warranty, to the extent that the relevant Losses arises out of and relates solely to an enactment of, or any change in, after the Completion Date, any applicable Law, including any increase in the rates of Taxes or any imposition of Taxes or any withdrawal of relief from Taxes, not in effect at the date of the Agreement. It is agreed that instances where settlement of an interpretation of a point of Law which results in the Indemnifying Party having to make an indemnity payment, is excluded from the purview of this Article.

(vii) Indemnification Approvals: To the extent the payment by any of the Company and/or the Promoters of any indemnification payment to the Indemnified Parties pursuant to the provisions of this Article 36 shall be subject to receipt of Governmental Approvals (if required), the Company and/or the Promoters shall be responsible for obtaining all such Governmental Approvals and shall make all applications and take all steps required to obtain the same.

(viii) Financial Limitations: Notwithstanding anything contained elsewhere in this Article 36, there shall be no financial or other limitations with respect to the matters and Warranties specified in Article 36.9(a)(i) above. Subject as aforesaid, the maximum aggregate liability of the Company and/or the Promoters to the Investors in respect of any breach of Warranties hereunder shall not exceed an amount equivalent to 100% of the Investment Amount.

37. ***BOARD OF DIRECTORS***

37.1 The Board shall, at all times, comprise of a maximum of 15 (fifteen) directors, of whom the Investors shall be entitled to appoint and maintain in office 2 (two) directors (and to remove from office any director so appointed and to appoint another in the place of the director so removed) (such directors are referred to as the "Investor Directors"). Subject to applicable Law, no Person, other than the Investors appointing an Investor Director, shall have the power or right to remove and replace such Investor Directors. To the extent permissible by Law, the appointment of the Investor Directors shall be by direct nomination by the Investors and any appointment or removal under this Article shall, unless the contrary intention appears, take effect from the date it is notified to the Company in writing. If Law does not permit the individual nominated by the Investors to be appointed as a director or alternate director of the Company merely by nomination by the Investors, the Company and the Promoters shall ensure that the Board forthwith (and in any event within 14 (fourteen) Business Days of such nomination or at the next Board meeting, whichever is later) appoints such individual as a director or alternate director, as the case may be, of the Company and further that, unless the Investors change or withdraw such nomination, such individual is also elected as a director or alternate director, as the case may be, of the Company at the next annual general meeting of the shareholders of the Company. Each Shareholder Party, as shareholders of the Company, shall promptly vote its Equity Securities in favour of the director and alternate director nominees nominated by the Investors pursuant to the preceding sentence.

37.2 The Investor Directors shall not be construed or counted by the Company as an independent directors for the purpose of determining the number of independent directors which the Company is required to have on its Board by any listing agreement.

37.3 Without prejudice to the above, the Company and each Shareholder Party agrees to exercise all powers and rights available to them so as to fix the number of directors in accordance with this Article 37 and to ensure that the individuals nominated by the Investors are expeditiously appointed or removed (as the Investors may specify) as directors of the Company and the appointments and removals referred to in this Article 37 result in the individuals nominated/appointed or removed becoming or ceasing to be directors of the Company.

37.4 The Investor Directors shall not be required to hold any Equity Securities in order to qualify as directors of the Company.

37.5 Subject to applicable Laws, each of the Investor Directors shall be entitled to be a member of, or at the option of the Investors, an invitee on all the committees of the Board.

37.6 Subject to applicable Law, the Investor Directors shall be entitled to appoint alternate directors and the Board shall appoint such persons as alternate directors to the Investor Directors.

37.7 In addition to the right to appoint 2 (two) Investor Directors, the Investors may, at any time appoint an individual as an observer (the "Observer") to the Board. Such Observer shall: (i) have the right to attend any and all meetings of the Board and of all committees of the Board and shall not speak thereat; (ii) not been counted for the purposes of quorum; and (iii) not have a right to vote at such meetings.

37.8 Subject to the relevant provisions of the Act, the Company or any Subsidiary, as the case may be, shall pay the Investor Directors and the Observer, all reasonable out of pocket expenses (including international air fares) incurred in order to attend shareholder, board, committee and other meetings of the Company or any Subsidiary, as the case may be, or otherwise perform their duties and functions as directors/Observers or members/Observers of any committee of the Company or its Subsidiary, as the case may be. The Investor Directors shall be entitled to all the rights and privileges of other directors of the Company or its Subsidiaries, as the case may be, including the sitting fees and expenses as payable to other directors.

37.9 The Company shall continue the present director's liability insurance policy. The Investor will review the current policy and come back with suggestions and any changes shall be done in consultation with the Company. Any further modifications of the existing director's liability insurance policy shall be subject to the approval of the Investors.

37.10 The Company shall indemnify, defend and hold harmless all directors of the Company (an "Indemnitee") who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director of the Company, or is or was serving at the request of the Company as a director of another company, partnership, joint venture, trust, employee benefit plan or other entity or enterprise, to the fullest extent permitted by Law against all expenses, costs and obligations (including, without limitation, reasonable attorneys' fees, experts' fees, court costs, retainers, transcript fees, duplicating, printing and binding costs, as well as telecommunications, postage and courier charges) (the "Expenses"), damages, judgments, fines, penalties, excise taxes and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, penalties, excise taxes or amounts paid in settlement) actually and reasonably incurred by him or her in connection with such action, suit or proceeding (the "Indemnifiable Amounts") if he or she acted in good faith and in the best interests of the Company in accordance with his or her fiduciary duty to the Company.

(i) If so requested by the Indemnitee, the Company may advance any and all Expenses incurred by the Indemnitee, either by: (i) paying such Expenses on behalf of the Indemnitee, or (ii) reimbursing the Indemnitee for such Expenses.

(ii) If the Indemnitee is entitled under any provision of the Agreement to indemnification by the Company for some or a portion of the Expenses or other Indemnifiable Amounts in respect of a claim but not, however, for the total amount thereof, the Company shall indemnify the Indemnitee for the portion thereof to which the Indemnitee is entitled.

(iii) For purposes of the Agreement, the termination of any claim, action, suit or proceeding, by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that the Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable Law.

(iv) The rights of the Indemnitee hereunder shall be in addition to any other rights the Indemnitee may have under these Articles. To the extent that a change in applicable Law permits greater indemnification by agreement than would be afforded currently under these Articles, it is the intent of the Parties hereto that the Indemnitee shall enjoy by the Agreement the greater benefits so afforded by such change.

37.11 The Investors shall be entitled to nominate 2 (two) Directors to the Board. In the event that the Investors shareholding reduces and the Investors hold between 44% (Forty Four per cent) to 56% (Fifty Six per cent) of the Equity Securities originally subscribed and/or purchased by them hereunder and under the SPA, US SPA and the Undertakings, then the Investors shall be entitled to appoint only 1 (One) Investor Director. Provided that, if the Investors have transferred such number of Equity Securities to another investor, such that the other investor holds between 44% (Forty Four per cent) to 56% (Fifty Six per cent) of the Equity Securities originally subscribed and/or purchased by the Investors hereunder and under the SPA, US SPA and the Undertakings, then the Investors and such other investor shall each be entitled to appoint a director on the Board. Notwithstanding anything contained in the Investment Documents, if the Investors hold less than 33% (thirty three per cent) of the Equity Securities originally subscribed and/or purchased by them hereunder and under the SPA, US SPA and the Undertakings, then the Investors shall not be entitled to appoint any Investor Director.

37.12 In addition to the rights available to the Investors pursuant to this Article 37 (but subject always that the Investors maintain their shareholding in the proportion stated above, the Investors shall be entitled to appoint and maintain in office 1 (one) director (and to remove from office any director so appointed and to appoint another in the place of the director so removed) to the board of directors of MSS Security Pty Ltd., and SIS Australia Group Pty Ltd. Such directors shall have all the rights, as available to the Investor Directors, mutatis mutandis, in the aforesaid companies on whose board of directors they are nominated. However all agenda and notices of any board meetings and shareholder meetings of (i) SIS International Holdings Limited; (ii) SIS Asia Pacific Holdings Limited; (iii) SIS Australia Holdings Pty. Limited; (iv) SIS MSS Security Holdings Pty. Limited shall be forwarded to the Investors immediately on receipt.

38. *CORPORATE GOVERNANCE*

38.1 The Board shall meet at least once every quarter and at least 4 (four) times a year. At least 14 (fourteen) Business Days' notice of each Board (or committee of the Board) meeting shall be given to each director (or member) prior to such meeting or such shorter period as the directors on the Board (or members of a committee), including each of the Investor Directors may agree. Notwithstanding the foregoing, notice of a meeting need not be given to any director who signs a waiver of notice or a consent to holding the meeting or an approval of the draft minutes thereof, whether before or after the meeting, or who attends (by whatever permitted means) the meeting without protesting, prior to its commencement notwithstanding the lack of notice to such director. The agenda for each Board (or committee of the Board) meeting and all papers connected therewith and/or proposed to be placed or tabled before the Board (or committee of the Board) shall be circulated at least 14 (fourteen) Business Days prior to such meeting, together with the notice and, no items save and except those specified in the agenda, shall be discussed at any Board (or committee of the Board) meeting, except with the prior written consent of one of the Investor Directors. Meetings of the Board may be held at any place which has been designated in the notice of the meeting or at such other place as may be approved by the Board.

38.2 The quorum for a meeting of the Board (or committee of the Board) shall be 1/3 (one-third) of its total strength or 2 (two) directors (whichever is higher), including, 1 (one) Investor Director and a Controlling Shareholder, who is a director, present throughout the meeting, unless otherwise agreed with the Investors' Consent or the consent of the Controlling Shareholder, as the case may be.

38.3 Members of the Board or any committee thereof shall be afforded the opportunity to, and may participate in a meeting of the Board or such committee by means of conference telephone, videoconference or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting without interruption in communications pursuant to this provision shall, unless prohibited by applicable Law, constitute presence in person at such meeting.

38.4 The quorum for a meeting of the shareholders of the Company shall include a representative of the Investors and a representative of the Promoters, present throughout the meeting, unless otherwise agreed with the Investor's Consent or the consent of the Promoters, as the case may be.

38.5 Notwithstanding the above, if the agenda for any Board/committee/shareholder meeting of the Company includes any Reserved Matter, then the presence of an Investor Director and a director nominated by the Promoters and the representative of the Investors and the representative of the Promoters (as applicable) shall be required for such Board or shareholder meeting to be quorate.

38.6 In the event of the Investors exercising their rights under Article 45.21 to 45.24, the presence of a director nominated by the Promoters or a representative of the Promoters shall not be required to form quorum for a Board or shareholders meeting, as applicable, provided that such Board and the concerned shareholders (other than the Promoters) shall not undertake any activity which is contrary to and other than the rights afforded to the Promoters under the terms of the Investment Documents.

38.7 Subject to applicable Law and the JV Agreements, the Company and the Promoters shall ensure that the nominee directors of the Company and any other nominees appointed by the Promoters or its Affiliates, on the board of the Subsidiaries of the Company shall exercise their votes at the board meetings of the Subsidiaries in accordance with the terms of the Investment Documents. Further, the Company shall exercise its votes at the shareholders meetings of the Subsidiaries in accordance with and to give effect to the provisions of the Investment Documents. For this purpose, the following process shall be followed:

(i) All agenda and notices of any board meetings and shareholder meetings of the Subsidiaries shall be forwarded to the Investors immediately on receipt;

(ii) In respect of any Reserved Matter, the Company and the nominee directors of the Company on the board of the Subsidiaries shall not (subject to the JV Agreements) permit any action to be taken or any resolution to be passed unless the Investors have provided the Investor's Consent for the same. In the event the Investor's Consent is not received at the expiry of 10 (ten) days from the receipt by the Investors of the aforementioned agenda and notices and request for consent (which shall specify the reference to the Investor's Consent under this Article), the Company shall send a reminder to the Investors for providing their Consent for the Reserved Matter ("First Reminder"); In the event the Investor's Consent is not received at the expiry of 10 (ten) days from date of the First Reminder, the Company shall send a second reminder to the Investors for providing the Investor's Consent for the Reserved Matter ("Second Reminder").In the event the Investor's Consent is not received at the expiry of 10 (ten) days from date of the Second Reminder, the Company and the Promoters shall have the right to permit any action to be taken or any resolution to be passed in relation to the said Reserved Matter. All notices to the Investors under this Article 38.7 shall be sent by email as well as courier in accordance with the 'Notices' Clause of the Agreement;

(iii) In respect of all other matters, the Company, the Promoters and the nominee directors of the Company on the board of the Subsidiaries shall exercise their rights in a manner which is consistent with support of the Investment Documents;

(iv) The Promoters shall procure and ensure compliance of the Company and its Subsidiaries, and the nominee directors of the Company on the board of the Subsidiaries with the provisions of the Agreement, including in particular this Article 0; and

38.8 The Promoters and the Company shall exercise all their rights in relation to the Subsidiaries so as to ensure that the rights of the Investors in respect of the Subsidiaries as provided in the Investment Documents are fully given effect to. The Promoters will place any matter on the agenda of any board or shareholder meeting of the Company and its Subsidiaries that the Investors request. It is clarified that all rights available to the Investors in SIS Cash Services Private Limited and Terminix SIS Private Limited shall be subject to the terms of the JV Agreements.

39. ***INFORMATION RIGHTS***

39.1 The Company and the Promoters shall, and shall cause each Subsidiary to, maintain true books and records of account in which full and correct entries shall be made of all its/their respective business transactions pursuant to a system of accounting established and administered in accordance with GAAP and/or the generally accepted financial accounting standards, as applicable, in the place of incorporation of the respective Subsidiaries, and shall set aside on its books all such proper accruals and reserves as shall be required under GAAP and/or the generally accepted financial accounting standards, as applicable, in the place of incorporation of the respective Subsidiaries. The Company shall provide to the Investors, the Observer and to any director of the Company, such information as they may request, including without limitation, with respect to the Company and its Subsidiaries:

(i) as soon as available, but in any event within 90 (ninety) days after the end of each Financial Year of the Company, a copy of the audited, consolidated and stand-alone balance sheets of the Company and its Subsidiaries as at the end of such Financial Year and the related consolidated and stand-alone statements of income, statements of changes in shareholders' equity and statements of cash flows of the Company and its Subsidiaries for such Financial Year, all in reasonable detail and stating in comparative form the figures as at the end of and for such Financial Year accompanied by an opinion of the external auditor of the Company, which opinion shall state that such auditor's audit was conducted in accordance with GAAP and/or the generally accepted financial accounting standards, as applicable, in the place of incorporation of the respective Subsidiaries and that it is not subject to any qualification resulting from a limit on the scope of the examination of the financial statements or the underlying data or which could be eliminated by the creation of or increase in a reserve or a decreased carrying value of assets; all such financial statements shall be complete and correct in all material respects and shall be prepared in conformity with GAAP and/or the generally accepted financial accounting standards, as applicable, in the place of incorporation of the respective Subsidiaries and applied on a consistent basis throughout the periods reflected therein except as stated therein;

(ii) as soon as available, but in any event not later than 25 (twenty five) days after the end of each quarter: (i) the un-audited consolidated and stand-alone balance sheets of the Company and its Subsidiaries as at the end of such quarter and the related un-audited consolidated and stand-alone statements of income, statements of changes in shareholders' equity and statements of cash flows of the Company and its Subsidiaries for such quarter and for the elapsed period in such fiscal year, all in reasonable detail and stating in comparative form the figures as of the end of and for the comparable periods of the preceding Financial Year and budgeted figures for the period, certified by the chief financial officer of the Company; all such financial statements shall be complete and correct in all material respects and shall be prepared in conformity with GAAP and/or the generally accepted financial accounting standards, as applicable, in the place of incorporation of the respective Subsidiaries and applied on a consistent basis throughout the periods reflected therein except as stated therein; (ii) the quarterly operating statistics of the Company and its Subsidiaries as at the end of such quarter; and (iii) the items of the balance sheet mentioned in Article 39.1(c) below. It is clarified that for balance sheet and cash flow related information items, key items like fixed assets, contingent liabilities, debt, cash, gross block, CWIP, investments, debtors and inventory will be provided monthly and complete balance sheet and cash flow statements will be provided at the end of 6 (six) months;

(iii) as soon as available, but in any event not later than 21 (twenty one) days after the end of each month, (i) the un-audited consolidated and stand-alone balance sheets of the Company and its Subsidiaries as at the end of such month and the related un-audited consolidated and stand-alone statements of income, statements of changes in shareholders' equity and statements of cash flows of the Company and its Subsidiaries for such month, key items of the balance sheet as listed below; and (ii) the monthly operating statistics of the Company and its Subsidiaries as at the end of such month. The balance sheet items shall include: fixed assets, debt, cash, gross block, CWIP, investments, debtors and inventory. Complete balance sheet and cash flow statements shall be provided at 6 (six) month intervals. Quarterly balance sheet and cash flows will be provided from the Financial Year 2012 onwards and the aforesaid shall be subject to the constraints mentioned in Article 39.1 (b) regarding balance sheet and cash flow related information items;

(iv) as soon as available, but in any event not later than 21 (twenty one) days after the end of each month, monthly management review detailing key operational performance indicators and statistics in a form reasonably satisfactory to the Investors;

(v) minutes of meetings of the Board, its committees and the shareholders of the Company within 7(seven) days of the occurrence of such meetings;

(vi) promptly, copies of all documents and other information regularly provided to any other security holder of the Company and/or its Subsidiaries, including any management or audit or investigative reports provided to such security holder;

(vii) promptly, copies of all documents and other information regularly provided to or received from any Governmental Authority that the Investors may specifically request for;

(viii) promptly, such additional information and explanation of any event or development of the Company or any Subsidiary which has a significant impact on the Business, operations, profits, conditions (financial or otherwise), prospects, results of operations, properties, assets or liabilities of the Company;

(ix) other relevant material information including annual business plans, capital expenditure budgets and management reporting information not set forth above;

(x) a proposed annual Business Plan (in accordance with the timelines envisaged in the Business Plan attached hereto) and budget (including operating and capital budget and other information requested by the Investors) for the fiscal year by March 1 of the preceding Financial Year. Approved budgets shall be provided by April after the same have been consented to by the Investors;

(xi) such other reasonable financial and accounting reports and information as the Investors may request; and

(xii) details of any event of force majeure or any other event which could have or result in Material Adverse Effect.

39.2 Any other information reasonably requested by the Investors shall be provided promptly by the Company or the Promoters on receipt of a request from the Investors.

39.3 The Company shall conduct quarterly business review and progress discussion with the Investors, the Investor's Representatives as nominated by the Investors in writing and the management team of the Company.

39.4 Unless specified by the Investors as being a matter requiring immediate attention, the Investors may, at any time, with a notice of 15 (fifteen) days require that the information referred to in Article 39 be provided to the Investor Director / Observer, Investor Related Parties, in place of or in addition to the Investors.

39.5 Upon the listing of the Equity Securities in accordance with the Agreement, prior to providing any price sensitive information to the Investors, the Company shall make such information public.

39.6 The Company shall: (i) give full access to the Investors and their authorized Representatives to visit and inspect all properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company, and (ii) discuss and consult its business, actions plans, budgets and finances with the directors and executive officers of the Company, upon reasonable notice. All costs incurred in connection with such inspection where such inspection is up to 4 (four) times in any Financial Year shall be borne by the Company with respect to its Indian Subsidiaries. Beyond the stated 4 (four) times, if an inspection is conducted by the Investors without sufficient reason or cause, such inspections will be conducted at the Investors cost. The Company shall, subject to reasonable notice and sufficient cause, permit the Investors, at the Investors cost and expense, to appoint an auditor or any other consultant to inspect the accounts of or access the records and books of the Subsidiaries. The Company and Promoters shall procure any consent of any other Persons required for this purpose.

39.7 The Company shall periodically report to the Board, an update on the performance of Business of the Company, including the Subsidiaries of the Company, by the provision of all such data and information as may be required for this purpose.

39.8 The Investors may invite from their preferred list of service providers, any consultants or external advisors ("Consultants") to provide their services to the Company in relation to operational excellence and value realization and for the provision of growth, change and business transformation and the Company may, subject to business requirements at that time and suitability, appoint the Consultants (subject to execution of agreements in a form satisfactory to the Investors) and implement such suggestions and recommendations as may be provided by the Consultants pursuant to their mandate. The above shall be subject to consent from the Board. In the alternative, the Investors may recommend appointment of such Consultants and if they are not acceptable, then the Company shall hire their equivalents if suitable and required and cooperate with such Consultants.

40. *RESERVED MATTERS*

40.1 Subject to the provisions of Article 38.7(b), no action or decision (including any steps being commenced or taken for any action or decision) relating to any of the Reserved Matters shall be proposed, taken or given effect to (whether by the Board, any director, any committee, the senior management or the shareholders of, the Company, its Subsidiaries, or any of the employees, officers, managers or Connected Persons/Concerns of the Promoter, Company or its Subsidiaries) unless the Investor's Consent and the Consent of the Promoters is first obtained.

41. *EXERCISE OF RIGHTS BY PROMOTERS AND COMPANY*

41.1 Without prejudice to the other provisions of the Agreement, the Promoters and the Company agree to exercise all powers and rights available to them (including their voting rights and their rights as and in respect of directors and shareholders) to give full effect to the provisions of the Investment Documents and so as to ensure that the provisions of the Agreement and each other Ancillary Agreement are complied with in all respects by the Company and the Promoters and their respective Connected Persons/Concerns.

41.2 The Promoters and the Company shall be jointly and severally liable to ensure the performance of the Investment Documents.

41.3 The Promoters shall vote or cause to be voted all Equity Securities bearing voting rights beneficially owned by them at any annual or extraordinary meeting of shareholders of the Company (the "Shareholders Meeting") or in any written consent executed in lieu of such a Shareholders Meeting (the "Written Consent"), and shall take all other actions necessary to give full effect to the provisions of the Agreement and these Articles. In addition, the Promoters shall vote or cause to be voted all Equity Securities beneficially owned by them at any Shareholders Meeting or act by Written Consent with respect to such Equity Securities, upon any matter being submitted for action by the Company's shareholders or with respect to which such Promoter has a right to vote or act by Written Consent, in conformity with the provisions of the Agreement and these Articles.

41.4 In order to effectuate the provisions of the Agreement, and without limiting the generality of Article 41, the Promoters and the Company shall:

(i) when any action or vote is required to be taken by a shareholder pursuant to the Agreement and/or these Articles, call, or cause the appropriate officers and directors of the Company to call, one or more

Shareholders Meetings to take such action or vote, to attend such Shareholders Meetings in person or by proxy for purposes of obtaining a quorum, or to execute or cause to be executed a Written Consent to effectuate such shareholder action; and

(ii) cause the Board to adopt, either at a meeting of the Board or by unanimous written resolution of the Board, all the resolutions necessary to effectuate the provisions of the Agreement.

41.5 The provisions of Articles 41.3 and 41.4 shall, subject to the JV Agreements and the other provisions of the Agreement (wherever applicable), *mutatis mutandis* apply to the Subsidiaries so that references to the Promoters in Articles 41.3 and 41.4 shall be deemed to be references to the Promoters and the Company and references to the Company therein shall be deemed to be references to the Subsidiaries.

42. *TRANSFERS OF EQUITY SECURITIES*

42.1 Save as provided in Article 35.1 above, the Promoters shall not Transfer any part of their Equity Securities in the Company except with the Investor's Consent. Provided that, the Promoters may sell Equity Securities *inter se* amongst themselves without any restrictions. However, Promoters No 1, 2 and 3 (namely Ravindra Kishore Sinha, Rituraj Sinha and Rita Kishore Sinha) shall at all times collectively hold and continue to hold 51% (fifty one per cent) of the share capital of the Company on a fully diluted basis and shall each hold at least 1 (one) Equity Share in the Company. It is further clarified that the tag along rights available to the Investors hereunder shall not be applicable to transfer of the Equity Securities i*nter se* amongst the Promoters.

42.2 The Parties agree that the Transfer restrictions on the Promoters in the Agreement and/or in the Organisational Documents of the Company shall not be capable of being avoided by the holding of Equity Securities indirectly through a company or other entity (or one or more companies or entities either alone or together in any combination or under Contract) that can itself (or the shares in it) be sold in order to Transfer an interest in Equity Securities free of restrictions imposed under the Agreement and the Organizational Documents.

42.3 The Company shall not, subject to the mandatory obligations on the Company specified under the JV Agreements, Transfer any securities held by it in any Subsidiary of the Company except with the Investor's Consent.

42.4 The Subscription Securities allotted and issued to the Investors and the Sale Shares and the Desco Shares purchased by the Investors and any Equity Shares issued to the Investors following conversion of the CCDs and CCPS shall be, when allotted and issued, free from all Encumbrances. Further, the Investors will not be required to Encumber its Equity Securities in the Company, or provide any guarantee, recourse or any other support to any Person, including, to any banks or financing institutions for providing credit facilities to the Company or its Subsidiaries.

42.5 The Investors may, transfer their Equity Securities:

(i) at any time to any Investor Related Party without the consent of the Promoters or the Company provided such Investor Related Party has executed an Assignment and Assumption Agreement;

(ii) at any time to any Person without any restriction (including without limitation, without any restriction under Article 42.9 (Promoter ROFO), or Article 42.6(c), if the Company, Subsidiaries and / or the Promoters commit an Event of Default; and

(iii) to any Person, at any time, in accordance with and subject to the restrictions as provided in the Agreement.

42.6

(i) Subject to Article 42.9 (Promoter ROFO) and 42.6(c) the Equity Securities of the Company held by the Investors shall not be subject to any lock-in at any point of time under any circumstances and, will be freely Transferable;

(ii) the Investors, at their sole discretion, shall have the right to Transfer their Equity Securities, without any restrictions and subject to the terms hereof together with any and all rights and obligations under the Investment Documents, to any other Person, subject also to the right offered to the Promoters in Article 42.9 (Promoter ROFO) and Article 42.6(c) below and the Investors shall ensure that such transferee enters into an Assignment and Assumption Agreement to give effect to the terms of the Agreement;

(iii) notwithstanding the aforesaid, the Investors shall not sell any Equity Securities to a Competitor, provided that this sub-para (c) (including restrictions imposed under Article 50 (confidentiality) shall cease to apply on the earliest of: (i) 54 (Fifty Four) months from Completion; (ii) any Event of Default; and (iii) failure of the Company to consummate a QIPO on or before the QIPO deadline date; and

(iv) only in the event of any assignment of rights and obligations by the Investors hereunder along with the Transfer of at least 7.5 % (Seven decimal point five percent) of the any Equity Securities, such transferee shall be entitled to exercise the rights of the Investors under the Agreement. . For this purpose, the Parties shall execute an Assignment and Assumption Agreement or other document in the form requested by the Investors and the Promoters, in agreed form.

INVESTOR ROFO & TAG ALONG

42.7 Subject to Article 35.1 and to this Article 42, the Promoters (the "Transferor") must not, Transfer (other than in a non-negotiated transaction conducted through a stock exchange or quotation system on which the Equity Shares are listed or quoted), any Equity Securities to a third Person (a "Third Party Transfer") legally or beneficially held by it, except pursuant to the following provisions:

(i) The Transferor shall deliver a written notice ("Sale Notice") to the Investors ("ROFO Offeree") setting out the number of Equity Securities it proposes to Transfer ("ROFO Securities"). Within 30 (thirty) days of the date of the Sale Notice ("Acceptance Period"), the ROFO Offeree may deliver a cash offer price ("ROFO Offer Price") in writing to the Transferor to purchase the ROFO Securities within 30 (thirty) days of the date of acceptance of the ROFO Offer Price Notice subject only to any Consents required in connection with that Transfer ("ROFO Offer Price Notice");

(ii) If the ROFO Offeree fails to deliver the ROFO Offer Price Notice within the Acceptance Period, the Transferor shall be entitled to Transfer the ROFO Securities to any Person ("Third Party Purchaser") at any price and on whatever terms it thinks fit within 6 (six) months of the date of the Sale Notice ("Sale Period"). However, if the ROFO Offeree delivers the ROFO Offer Price Notice and if the Transferor accepts the terms of the ROFO Offer Price Notice, then the Transferor shall Transfer the ROFO Securities to the ROFO Offeree within a period of 30 (thirty) days from the date of the ROFO Offer Price Notice;

(iii) If the ROFO Offeree delivers the ROFO Offer Price Notice, the Transferor may not Transfer the ROFO Securities to a Third Party Purchaser except where such Third Party Purchaser has offered to purchase the ROFO Securities at a cash price higher than the cash price specified in the ROFO Offer Price Notice on similar terms. If the Transferor does not consummate a sale of the ROFO Securities with the Third Party Purchaser within the Sale Period, then the Transferor shall again be subject to the requirements of this Article 42.7.

(iv) The number of days specified under this Article to complete a Transfer of the ROFO Securities shall be extended by such number of days required to obtain any approvals from any Governmental Authorities.

(v) If the offer made by the Transferor to the ROFO Offeree pursuant to paragraphs (a) through (d) hereof expires without an agreement by an ROFO Offeree to purchase all of the ROFO Securities, for cash, or if the ROFO Offeree concerned fails to purchase the ROFO Securities within the 90 (ninety) day period mentioned above (or such other date as agreed to by the Transferor and the ROFO Offeree), then the Transferor shall be permitted to sell the ROFO Securities within a period of 120 (one hundred and twenty) days from the date of Sale Notice, at a price not less than the ROFO Offer Price. If such sale is not completed within such 120 (one hundred and twenty) day period, then the Transferor shall again be subject to the requirements of this Article 42.7.

42.8 Subject to this Article 42.7 above:

(i) Where the Transferor proposes to Transfer any Equity Shares held by him/them in the Company to a third party after following the process in 143.7 above, then the Transferor shall first give a written notice (the "Promoter Sale Notice") of such proposed Transfer to the Investors. The Promoter Sale Notice shall state: (I) the number of Equity Shares proposed to be Transferred (hereinafter referred to as the "Offered Shares") and the number and class of Equity Shares the Promoter(s) own at that time on an undiluted basis, (ii) the name and address of the proposed transferee, (iii) the proposed price, including the proposed amount and form of consideration and terms and conditions offered by such proposed transferee, (iv) the proposed date of consummation of the proposed Transfer, (v) a representation that the proposed transferee has been informed of the "tag-along" rights provided for in the Agreement and has agreed to purchase all the Equity Shares required to be purchased in accordance with the terms of this Article, and (vi) a representation that no consideration, tangible or intangible, is being provided, directly or indirectly, to the Promoter(s) that will not be reflected in the price paid to the Investors on the exercise of its "tag-along" rights hereunder. In the event that the proposed consideration for the Transfer includes consideration other than cash, the Promoter Sale Notice shall include a calculation of the fair market value of such consideration and an explanation of the basis for such calculation. The price per share for the proposed Transfer of the Offered Shares is referred to herein as the "Sale Price". The Promoter Sale Notice shall be accompanied by a true and complete copy of all documents constituting the agreement between the Promoter and the proposed transferee regarding the proposed Transfer;

(ii) The Investors shall be entitled to respond to the Promoter Sale Notice by serving a written notice (the "Response Notice") on the Promoters, prior to the expiry of 30 (thirty) days from the date of receipt by the Investors of the Sale Notice (the "Tag Along Period") requiring the Promoters to ensure that, subject to Article 42.10 (regulatory approvals) below, the proposed transferee of the Offered Shares also purchases such number of Equity Shares from the Investors in the same proportion that the Investor's Equity Shares bear to the total equity share capital of the Company (the "Tag Securities"), at the same price and on the same terms as are mentioned in the Promoter Sale Notice, except that: (a) the Investors shall not be required to provide any representations or warranties, other than in respect of its title to such Tag Securities to the transferee; and (b) at Investor's election, Investors may receive the cash equivalent of any non-cash component of the consideration to be received by the Promoters. Provided however that, in the event the Promoter sells its Equity Shares in the Company as a result of which they hold less than 51% (Fifty One per cent) of the total paid up share capital of the Company (on a fully diluted basis), then, the Investors shall be entitled to "tag-along" in respect of all their securities in the Company in respect of such sale which results in the Promoters holding less than 51% (Fifty One per cent) of the total share capital of the Company (on a fully diluted basis) and all subsequent sales by the Promoters;

(iii) The Promoters shall not be entitled to sell or Transfer any of their Offered Shares to any proposed transferee unless the proposed transferee simultaneously purchases and pays for the required number of Tag Securities in accordance with the provisions of the Agreement;

(iv) The Promoters shall ensure that, along with the Offered Shares, the proposed transferee also acquires the Tag Securities specified in the Response Notice at the Sale Price and upon the same terms and conditions as applicable to the Offered Shares, provided that such Sale Price takes into consideration any payment towards a non-compete fee or other consideration payable to the Promoters and provided further that the Investors may choose to receive the cash equivalent of any consideration which is in a form other than cash. Where the Investors have elected to exercise their "tag-along" right hereunder and the proposed transferee fails to purchase from the Investors the Tag Securities which it is entitled to sell under this tag along provision, the Promoters shall not make the proposed Transfer of their

Offered Shares, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of such Offered Shares;

(v) In the event the Investors do not deliver a Response Notice to the Promoters prior to the expiry of the Tag Along Period, then upon the expiry of the Tag Along Period, the Promoters shall be entitled to sell and transfer the Offered Shares to the proposed transferee mentioned in the Promoter Sale Notice on the same terms and conditions and for the Sale Price as specified in the Promoter Sale Notice;

(vi) Any transferee purchasing the Offered Shares and the Tag Securities (if applicable) shall deliver to the Promoters, on or before the date of consummation of the proposed Transfer specified in the Sale Notice, payment in full of the Sale Price in respect of the Offered Shares and the Tag Securities (if applicable) in accordance with the terms set forth in the Promoter Sale Notice and of any requisite transfer Taxes. If completion of the sale and Transfer to the proposed transferee does not take place within a period of 90 (ninety) days from the date of the Promoter Sale Notice, the Promoter's right to sell the Offered Shares to such third party shall lapse and the provisions of this Article 42.8 shall once again apply to any proposed Transfer of the Offered Shares. Additionally, at least 6 (six) months should pass between two successive Promoter Sale Notices for sale of the Offered Shares.

(vii) The restrictions in respect of a Competitor shall not apply to a Transfer of securities of the Investors pursuant to a Tag Along Right covered in this Article.

PROMOTER ROFO

42.9 The Investors (the "Offeror") must not, Transfer (other than in a non-negotiated transaction conducted through a stock exchange or quotation system on which the Equity Shares are listed or quoted), any Equity Securities to a third Person legally or beneficially held by it, except pursuant to the following provisions:

(i) The Offeror shall deliver a written notice ("Investor Sale Notice") to the Promoters setting out the number of Equity Securities it proposes to Transfer ("Investor ROFO Securities"). Within 30 (thirty) days of the date of the Investor Sale Notice ("Promoter Acceptance Period"), the Promoters may deliver a cash offer price ("Promoter Offer Price") in writing to the Offeror to purchase the Investor ROFO Securities within 30 (thirty) days of the date of acceptance of the Promoter Offer Price Notice subject only to any Consents required in connection with that Transfer ("Promoter Offer Price Notice");

(ii) If the Promoters fail to deliver the Promoter Offer Price Notice within the Promoter Acceptance Period, the Offeror shall be entitled to Transfer the Investor ROFO Securities to any Person ("Third Party Buyer") at any price and on whatever terms it thinks fit within 6 (six) months of the date of the Investor Sale Notice ("Transfer Period"). If the Promoter delivers the Promoter Offer Price Notice and if the Offeror accepts the terms of the Promoter Offer Price Notice, then the Offeror shall Transfer the Investor ROFO Securities to the Promoters within a period of 30 (thirty) days from the date of the Promoter Offer Price Notice;

(iii) If the Promoters delivers the Promoter Offer Price Notice, the Offeror may not Transfer the Investor ROFO Securities to Third Party Buyer except where such Third Party Buyer has offered to purchase the Investor ROFO Securities at a cash price higher than the cash price specified in the Promoter Offer Price Notice on similar terms. If the Offeror does not consummate a sale of the Investor ROFO Securities with the Third Party Buyer within the Transfer Period, then the Offeror shall again be subject to the requirements of this Article 42.9.

(iv) The number of days specified under this Article to complete a Transfer of the Investor ROFO Securities shall be extended by such number of days required to obtain any approvals from any Governmental Authorities.

(v) If the offer made by the Offeror to the Promoters pursuant to paragraphs (a) through (d) hereof expire without an agreement by the Promoters to purchase all of the Investor ROFO Securities, for cash, or if the Promoters fails to purchase the Investor ROFO Securities within the 90 (ninety) day period mentioned above (or such other date as agreed to by the Offeror and the Promoters), then the Offeror shall be permitted to sell the Investor ROFO Securities within a period of 120 (one hundred and twenty) days from the date of Investor Sale Notice, at a price not less than the Promoter Offer Price. If such sale is not completed within such 120 (one hundred and twenty) day period, then the Offeror shall again be subject to the requirements of this Article 42.9.

OTHER PROVISIONS ON TRANSFERS

42.10 Where the Investors or the Promoters (as the case may be) require prior legal, governmental, regulatory or shareholder consent or approval ("Approvals") for an acquisition or disposal of Equity Securities in accordance with Article 42, then notwithstanding any other provision of the Agreement, the Investors or the Promoters (as the case may be) shall only be obliged to acquire or dispose of Equity Securities once such Approvals are obtained, and the Parties shall use their reasonable endeavours to obtain any such required Approvals. Any period within which a transfer of Equity Securities by or to the Investors or the Promoters (as the case may be) has to be completed shall be extended by such further period as is necessary for the purpose of obtaining the above Approvals. Provided that if any of the Approvals are finally withheld or declined then the Investors or the Promoters (as the case may be)shall be deemed not to have offered to purchase or sell the Equity Securities

42.11 Any Transfer or attempted Transfer of any Equity Securities of the Company in violation of the Agreement shall be void and no such Transfer shall be recorded on the Company's register and the purported transferee of any such Transfer shall not be treated as a shareholder of the Company.

42.12 Subject to any applicable Laws, the Company must register a Transfer of any Equity Securities made in compliance with this Article 42.

42.13 Any Person to whom Equity Securities are Transferred pursuant to this Article 42 (or otherwise in accordance with the Agreement and the Organisational Documents) shall agree in writing to be bound by the terms and conditions of the Agreement and, to the extent applicable, the Ancillary Agreements as a New Shareholder (except in the case of an Investor Related Party, who shall agree in writing to be bound by the terms and conditions of the Agreement and, to the extent applicable, the Ancillary Agreements as the Investors), in each case by executing an Assignment and Assumption Agreement. Notwithstanding anything contained herein, the Investors and the Promoters may mutually consent to forego the requirement of a New Shareholder executing an Assignment and Assumption Agreement.

42.14 For the purposes of the Agreement and in determining the rights of the Investors under the Agreement, until conversion of the CCDs into Equity Shares in accordance with the terms of the Agreement, the CCDs shall be deemed to represent 0.00% (zero decimal point zero zero per cent) of the paid up equity share capital of the Company on a fully diluted basis as of the Completion Date.

42.15 It is hereby clarified that the transfer restrictions covered under Article 42.7 (but excluding the tag along rights under Article 42.8) shall not apply to the Transfer of a maximum of 10% (ten percent) of the share capital held by the Promoters as more particularly set out in Article 35.1 above.

43. *GENERAL UNDERTAKINGS*

ANNOUNCEMENTS

43.1 No formal or informal public announcement, press release or other communication which makes reference to the Promoters Company, Investors and/or any Investor Related Parties and/or the existence of the Agreement and/or the terms and conditions of the Investment Documents or any of the matters or Parties referred to under them, shall be made or issued by or on behalf of any Party or its related parties without the prior written approval of the other Parties.

43.2 If any Party is obliged to make or issue any announcement or press release required by applicable Law or by any Exchange or Governmental Authority, it shall give the other Parties every reasonable opportunity to comment on any announcement or release before it is made or issued (provided that this shall not have the effect of preventing such Party from making the announcement or release or from complying with its legal, stock exchange, governmental and/or regulatory obligations).

43.3 The Company consents to the Investors publicising and the Investors consent to the Company/Promoters publicising:

(i) the fact that the Investors are shareholders in the Company; and
(ii) any other information about the Group which is already in the public domain (unless the information is in the public domain as a result of a breach of the Agreement by the Investors).

43.4 Without prejudice to the above, no public announcement of the Transaction shall be made by any Party without the written consent of the other Parties otherwise than to the extent required by Law. Notwithstanding the Consent granted by a Party, it shall be each Party's obligation and responsibility to ensure that the announcements made are accurate and in compliance with all applicable Laws. The concerned Party shall, however, not be liable for any misrepresentation by third parties of statements made by them.

AUDITOR

43.5 The Company shall from the Financial Year ending March 31, 2014 (including Financial Year ending March 31, 2014) appoint one of the following, or their affiliates in India, as the joint statutory auditor of the Company along with the present auditor of the Company, A Mitra & Associates:

(i) Ernst & Young;
(ii) Deloitte, Haskins and Sells;
(iii) Price Waterhouse Coopers; or
(iv) KPMG.

CONNECTED PERSON

43.6 From the date of the Agreement, all Contracts between the Company and any Connected Person/Concern (and the Promoters or the Connected Persons/Concerns, the Company or any of its Subsidiaries) shall be entered into on arms' length, commercial terms in the ordinary course of business. Any such Contract shall remain subject to the other rights of the Investors hereunder.

43.7 The Company hereby agrees to comply with the requisite provisions under applicable Law to resolve cases of conflict between the Company and the Promoters or any other Person with which Promoters are associated with or any Connected Person/Concern, (including the entities which are mutually agreed between the Parties as Connected Persons/Concerns). The Promoter hereby agrees to inform the Investors of any changes in the Connected Persons/Concerns of the Company as and when new entities which may be Connected Persons/Concerns are incorporated or acquired.

43.8 In the event of any dispute between the Company or any Group Company and any Connected Person/Concern, the Promoter Directors shall not be entitled to participate in any such dispute on behalf of the Company or Group Company and the same shall be dealt with by the remaining members of the Board.

MOST FAVOURED INVESTOR

43.9 The Company and the Promoters shall not provide, offer to provide or entertain any proposal to provide, any Person with rights in relation to the Equity Securities of the Company and/or its Subsidiaries which are more favourable than those provided to the Investors or issue any Equity Securities on terms more favourable than those offered to the Investors.

BUSINESS PLAN

43.10 In addition to the information provided to the Investors under Article 39.1 and subject to the limitations contained therein, the Company shall provide the Investors with a detailed Business Plan, that will include details of operations, financials, debt, capital expenditure and other relevant targets for the Company and its Subsidiaries and every year thereafter of the Company and its Subsidiaries and shall be approved by the Board annually and updated/revised at the time of approving any expansion. The Business Plan shall comprise the business strategy, project details including project cost, means of finance, projected financial statements including profit and loss account, balance sheet and cash flow statements for the on-going Financial Year and the subsequent Financial Year and would form the basis of management of the Business of the Company until such time that the same is duly updated / revised with the consent of the Board. If the Board fails to approve the Business Plan before the commencement of any Financial Year as a result of the Investors exercising their rights under Article 0, the Business Plan most recently approved by the Board with a maximum variation of up to 10% (ten per cent) will continue to apply until the Board approves a new Business Plan. Notwithstanding the preceding sentence, if the Board fails to approve the Business Plan before the commencement of any Financial Year as a result of the Investors exercising their rights under Article 0 and an Investor notifies the Company in writing of a change in circumstances occurring on or after the first day of such Financial Year relating to the business or operations of the Company that the most recently approved Business Plan does not address and that, if not addressed, would be reasonably likely to affect the ability of the Company to continue as a going concern, then the Board of the Company must adopt an amendment to such Business Plan designed to address such change in circumstances.

43.11 Subject to the mandatory requirements on the Company specified under the JV Agreements, the Board of the Company shall, with the Investor's Consent, approve the Business Plan in respect of the Subsidiaries, with pre-determined tolerances and thresholds. Subject to the JV Agreements, it is clarified that any Business Plan is subject to the rights of the Investors hereunder, including in relation to the Reserved Matters.

COMPLIANCE WITH LAWS

43.12 All Group Companies must:

(i) comply with applicable Law, including Environmental Law (as defined under the Agreement);
(ii) maintain all Consents required under applicable Law, including Environmental Law; and
(iii) notify the Investors immediately if any Group Company ceases to hold any such Consent or if any of them expire (and have not been renewed).

REQUIRED GOVERNMENTAL APPROVALS

43.13 The Company shall, to the extent possible, promptly obtain (and the Promoters shall procure that the Company and its Subsidiaries shall obtain and maintain, to the extent possible) all Required Governmental Approvals, as applicable, and shall furnish certified true copies thereof to the Investors.

43.14 The Company shall (and the Promoters shall procure that the Company and its Subsidiaries shall) obtain and prepare all such forms, reports and documents as may be required to be filed to obtain, or comply with, any Required Governmental Approval under any applicable Law and/or pursuant to any previously obtained Governmental Approvals, including, such documents as may be required under the Act (or any legislation amending, extending or replacing the Act) and/or the rules or regulations made there under (as then in effect). The Company shall make all such filings and reports with any Governmental Authority, as may, from time to time, be required under any Law in connection with the transactions contemplated in the Investment Documents and the obtaining of all Required Governmental Approvals.

43.15 The Company and the Promoters shall promptly co-operate with any Governmental Authority for the purpose of obtaining and maintaining any Required Governmental Approval.

PRE-EMPTIVE RIGHTS AND ANTI-DILUTION

43.16 Subject to Investors' Consent, in the event that, at any time, the Company issues any Equity Securities, then, the Investors shall be entitled to subscribe to such number of Equity Securities in proportion to its equity shareholding in the Company and shall also be entitled to subscribe to its pro rata number (calculated on the same basis after giving effect to the Investors' and the other shareholders' subscription pursuant to this Article 43.16, but not including the number of Equity Shares held by other shareholders not subscribing in such issuance) of any Equity Securities not subscribed for by the other shareholders, on the same terms on which such Equity Securities are proposed to be issued. Without prejudice to the other provisions of the Agreement and/or these Articles, and subject further to Investor's Consent, in case of any issue of Equity Securities by the Company at any time, at a price ("Issue Price") per Equity Security which is lower than Rs. 2011.28/- (Rupees Two thousand and eleven decimal point twenty eight) (adjusted for any Reorganisation), then the Investors shall be entitled to:

(i) Subscribe to additional shares of the Company at the lowest price permissible under Law, so as to reduce the average cost of acquisition of the Investor's shares to the Issue Price; and/or;
(ii) Convert its outstanding CCDs into such number of additional Equity Shares, at the lowest price permissible under Law, so as to reduce the average cost of acquisition of the Investor's shares to the Issue Price.

43.17 For the purposes of Article 43.16 and without prejudice to the rights of the Investors under Article 43.16(a) and 43.16(b) the Promoters shall have an option (not an obligation) to sell additional Equity Shares to the Investors at the lowest price permissible under Law so as to reduce the average cost of acquisition of the Investors Shares to the Issue Price, subject to the consent of the Investors.

43.18 The aforesaid rights granted to the Investors shall not apply:

(i) to any existing employees stock option plans of the Company as specifically consented to by the Investors; and
(ii) The convertible debentures already held and proposed to be issued to the Promoters hereunder.

DIVIDENDS

43.19 For the first 4 (Four) years from the Completion, the Company will announce and distribute annual dividends as per the past practice of the Company for the past 3 (three) years prior to Completion. After the expiry of 4 (Four) years from the date of Completion, in the event that the Investors holds Equity Securities representing more than 5% (Five per cent) of the paid up share capital of the Company (post conversion) or equivalent CCDs, the Company will announce and distribute half yearly dividends equivalent to 40% (Forty per cent) of the distributable profits of the Company (subject to applicable Law, free cash flows of the Company, investment and business plans of the Company as mutually acceptable to the Company and the Investors and approvals from banks under existing or future facility arrangements).

43.20 Within 90 (ninety) days of the date of the Agreement, the Company and Promoters shall have obtained written consent from ICICI and State Bank of India for the entering and performance by the Company, its subsidiaries and the Promoters of the Agreement.

43.21 Within 90 (ninety) days of the date of the Agreement:

(i) all filings relating to the facilities taken from Sundaram Finance Limited shall have been completed and no-due certificates issued by Sundaram Finance Limited shall be submitted to the Investor;

(ii) The Company shall have completed and updated all corporate filings (including those relating to its vehicle loans) required to be undertaken by the Company.

(iii) The Company shall renew and maintain all licenses as required to be obtained by it under the relevant Shops and Establishments statutes;

43.22 Prior to the execution of the Share Escrow Agreement:

(i) the Company and Promoters shall ensure that the Board of SIS Australia Holdings Pty. Limited shall have approved the Share Escrow Agreement and authorised the execution of Share Escrow Agreement on behalf of the SIS Australia Holdings Pty. Limited;

(ii) The Board of SIS Australia Holdings Pty. Limited and the shareholders of SIS Australia Holdings Pty. Limited shall have approved the transfer of the Escrow Shares (as defined in the Share Escrow Agreement) in accordance with the provisions of the Share Escrow Agreement.

(iii) SIS Australia Holdings Pty. Limited shall have made the requisite registrations denoting the security interest created over the Escrow Shares (as defined in the Share Escrow Agreement) in favour of the Investor on the Personal Property Securities Register ("PPSR") under the Personal Properties and Securities Act 2009 (Cth), if required by Applicable Law.

44. *OTHER MATTERS*

INVESTORS NOT TO BE CONSIDERED PROMOTER

44.1 The Company and the Promoters acknowledge that on Completion, the Investors will only be a minority financial investor and not acquire control and management of the Company. The Promoters are in control of the Company. Subject to applicable Law, the Company and the Promoters will ensure that the Investors shall not be considered/classified as a 'promoter' of the Company for any reason whatsoever and the Investors Shares are not subject to any restriction (including that of lock-in or other restriction) which are applicable to promoters of a company under any applicable Law.

KEY PERSONNEL

44.2 The Promoters and the Company must ensure that the Company and its Subsidiaries have in place, at all times, a professional management team including to the extent possible Key Personnel with the requite skills, experience and seniority as required for the role and functions being carried on by them.

MIS

44.3 The Promoters and the Company shall ensure that adequate accounting systems, including without limitation, proper management system ("MIS") with respect to the revenue and margin by its customers are implemented and the Company shall ensure the implementation internal control relating to fixed assets, inventory and cash bank in consultation with the Investors, on a best efforts basis.

PROPERTIES OF THE COMPANY AND THEIR TREATMENT

44.4 During the term of the Agreement, the Company may Transfer the following Properties,

Sl. No.	Description and Location Of the Property	Hire Purchased /Leased Or Owned	Present Use of the Property	Whether Mortgaged to a bank
1.	Flat No T20 – 503, Commonwealth Village (appx 2500 sq. ft.)	Owned	Full payment made and possession / registration is	Yes

			pending	
2.	E-1, EAST OF KAILASH, New Delhi, Appx area 2600 sq. ft. each floor	Owned	Basement, Ground & First floor in commercial use, advance paid for 2 and 3rd floor.	Yes
3.	Land admeasuring 1430.32 sq. yards situated at Siwana Mauza, Dist & Tehsil Gurgaon, Haryana (Plot 1)	Owned	No commercial use at present	Yes
4.	Land admeasuring 1430.32 sq. yards situated at Siwana Mauza, Dist & Tehsil Gurgaon, Haryana (Plot 2)	Owned	No commercial use at present	Yes

in part or in whole, only to Controlling Shareholders or their nominees subject to the following conditions:

(i) There shall be no adverse effect on the existing business operations of the Company or the Subsidiaries from such Transfer. In the event of a possible adverse effect due to the Transfer of any Property ("Transferred Property") the Promoters shall be responsible to make necessary alternate arrangements in place of the Transferred Property such that the business of the Company or the Subsidiary can continue without any interruption, additional cost and in the manner as it was used for the Business, prior to the proposed transfer of the Transferred Property;

(ii) Transfer of the Transferred Property shall result in no adverse impact on profit and loss statement of the Company or any Subsidiary. In the event of a possible adverse effect due to such Transfer, the Promoters shall be responsible to make necessary alternate arrangements in place of the Transferred Property such that the business of the Company or the Subsidiary can continue without any interruption, additional cost and in the manner as it was used for the Business, prior to the proposed transfer of the Transferred Property in a manner that does not affect the earnings before interest, Tax, depreciation and amortization;

(iii) Transfer of the Transferred Property shall result in no adverse impact on the balance sheet or financial position of the Company or any Subsidiary. In the event the Controlling Shareholders intend to purchase any property, such purchase shall be at a value that is equal to the sum of the book value of the concerned property and an internal rate of return of 15% (fifteen per cent) per annum on such book value calculated from the date of payment of the concerned book value on acquisition of the property until the date of receipt of the sale consideration on the purchase by the Promoter pursuant to this Article.

(iv) Prior to the Transfer of any Transferred Property, the Promoters and the Company shall provide the Investors with a certificate from a Big 4 statutory auditor, which shall be or the proposed joint auditor of the Company for the Financial Year ending March 31, 2013 as appointed in accordance with the provisions of Article 43.5 above, ("Property Transfer Certificate") certifying that the conditions mentioned in Article 44.4 (a), (b) and (c) are satisfied. In the event the Investors have any reason to believe that deductions made in the Property Transfer Certificate is incorrect or not reflective of the position of the finances of the Company or the concerned Subsidiary, the proposed Transfer of the Transferred Asset shall be subject to an affirmative vote of majority of the non-Promoter Directors (i.e., excluding the participation of any directors who are Promoters) on the Board.

45. *QUALIFIED INITIAL PUBLIC OFFERING AND OTHER EXITS*

45.1 The Company will offer to the Investors an exit from the Company in the manner set out below. The Parties acknowledge that the table of exit events provided in Article 45.25 below are not sequential and per the rights of the Investors under the Agreement, the Investors may choose any of the exits available to it in accordance with the Articles below, subject however to Article 45.25 below.

QIPO

45.2 The Company and the Promoters will commit to ensure and enable an initial public offering of the Company's Equity Shares (a "Qualified IPO" or "QIPO") on or before March 31, 2016 or 4 (four) years from Completion, whichever is later.

45.3 Prior to the QIPO, all the Equity Securities including the CCDs shall convert into Equity Shares at the latest date possible prior to the QIPO. In the event the QIPO does not take place or in the Investors' option, gets delayed beyond a reasonable time, after the CCD's have converted into Equity Shares, the Company shall, and the Promoters shall procure that the Company shall, at the request of the Investors at any time thereafter, issue and allot to the Investors, compulsorily convertible debentures at the lowest price permissible under applicable Law on such terms and conditions acceptable to the Investors and on conversion terms which would enable the Investors to realise at least the higher of FMVES and the Liquidity Preference Amount (taking into account the amount paid by Investors towards such CCDs and also taking into account the number of Equity Shares that have been issued to the Investors on conversion of the CCDs). In the alternative, the Parties also agree to undertake the necessary steps, including approaching the appropriate Government Authorities to convert the Equity Shares issued pursuant to the converted CCD , back into the instrument it was converted from. Should the Investors require, the Parties shall also enter into appropriate documentation prior to the conversion of the Equity Securities into the Equity Shares, that should the QIPO get delayed beyond an agreed period, the rights renounced by the Investors in relation to the converted Equity Securities shall automatically be exercisable by it through its ownership of the Equity Shares.

45.4 The Qualified IPO should satisfy the following conditions as appropriate: (i) the Equity Shares are listed or quoted on an Exchange, (ii) the initial public offering is consummated no later than March 31, 2016 or 4 (Four) years from Completion, whichever is later, (iii) at least 25% (Twenty Five per cent) (on a fully diluted basis) of the issued and outstanding Equity Shares are sold to the public in the initial public offering or the minimum required by the listing authority or exchange, (iv) the initial public offering is managed by Joint Lead Managers, (v) the proportion of primary and secondary shares being sold are satisfactory to the Investors, and the Investors shall, for this purpose, give non-binding consideration to the advice of a reputable investment banking firm mutually appointed for the purpose; and (vi) the initial public offering complies with all applicable legal, regulatory and listing requirements.

45.5 The Investors shall be entitled to determine the price and number of Equity Shares to be offered in any Qualified IPO subject to giving non-binding consideration to the advice of a reputable mutually agreed investment banking firm. The Investors shall have the right to sell up to 100% (one hundred per cent) of its Equity Shares (subject to applicable Law) as a part of the Qualified IPO on the same terms and conditions as the primary shares offered to the public by the Company subject to giving non-binding consideration to the advice of a reputable mutually agreed investment banking firm.

45.6 Unless prohibited by applicable Law, the Company shall bear and pay all expenses incurred in connection with any listing, including any disinvestments of its shares by public offer by sale by the Investors, including without limitation all underwriting fees, selling and distribution costs, registration, filing and qualification fees and printers, legal and accounting fees and disbursements.

45.7 The Promoters shall contribute such number of shares as may be mutually decided with, and is acceptable to the Investors in such QIPO. If the Company is required to increase its share capital for making such QIPO, then the Company shall, subject to the Investor's Consent, do so by issuing bonus shares.

45.8 The Company and Promoters agree and acknowledge that if such QIPO is made in India, and the Company is required to offer a minimum number of Equity Shares, as required under applicable Indian Law, existing from time to time, in order to comply with the requirements of such QIPO, the Company shall be empowered to make its QIPO in any manner or a combination thereof, including :(a) a fresh issuance of Equity Shares; (b) a fresh issuance of Equity Shares and the divestiture of all or a part of the shareholding of the non-Promoter shareholders of the Company; or (c) solely through the divestment of all or a part of the shareholding of the non-Promoters shareholders of the Company. The Promoters shall offer such minimum proportion of their shareholding (on a fully diluted basis) in the Company in order to satisfy the requirements of applicable Law.

45.9 The Promoters and the Company will take all such steps, and extend all such co-operation to each other and the Lead Managers, underwriters and others as may be required for the purpose of expeditiously making and completing the said QIPO, including the provision of any customary representations, warranties and/or indemnities or other forms of comfort in this regard.

45.10 The Parties agree that, if at any time prior to the filing of the draft red herring prospectus the Joint Lead Managers are of the opinion that certain provisions of the Agreement may have detrimental impact on the completion of the aforesaid QIPO process, then the Parties shall ensure that such provisions shall cease to operate for the purposes of the agreement, which may include the right of the Promoters to freely Transfer Properties pursuant to Article 44.4 and certain rights of the Investors as regards to the Reserved Matters as specifically agreed by the Investors.

45.11 Subject to applicable Law, the Parties hereby agree that the Investors shall not be required to provide any representations or warranties (including those considered customary), other than in respect of its title to the Equity Shares and the Investor's capacity to sell the Equity Shares, in respect of any sale of Equity Shares pursuant to the Agreement other than as required by regulatory agencies.

45.12 At any time after September 30, 2016, (or four and a half years after Completion), whichever is later, the Investors shall have the right to require the Company to list the Company's shares on an Exchange acceptable to Investors, either in India or overseas. After the time period referred to above, the Company will also have an obligation, at the request of the Investors, to conduct an offer for sale ("Offer for Sale") and the Investors shall have the right to sell all the Equity Securities held by it in the Offer for Sale. The Promoters shall, at the request of the Investors offer such minimum number of Equity Shares, as required under applicable law, for consummation of the Offer for Sale.

STRATEGIC SALE

45.13 The Company and the Promoters will commit to ensure a strategic exit ("Strategic Sale") on or before March 31, 2016 or 4 (four) years from Completion, whichever is later. The said Strategic Sale shall be on terms acceptable to the Investors. In the event the Promoters have procured a binding, fully financed and firm offer for purchase of all the Investor Shares at a price equal to the Minimum Realisation ("Firm Offer") and such Firm Offer is subsisting and during such subsistence the Investors refuse to accept the Firm Offer, then the Investors shall not be entitled to exercise its rights under Article 45. However in the event the Firm Offer has been procured and is valid for a limited period and the Promoters fail to complete the Strategic Sale before expiry of the Firm Offer then the rights of the Investors under Article 45 shall continue to subsist. The Investors shall not be required to provide any warranties (other than of title or capacity) or indemnities, or be subject to any restrictive covenants pursuant to the Strategic Sale.

45.14 The consent of the Investors shall be required for pricing and other commercial terms of any QIPO and Strategic Sale.

45.15 In the event the Company is unable to initiate a QIPO or a Strategic Sale within the time lines above, the Company shall be provided an additional period of 6 (Six) months (i.e., until the expiry of 54 (Fifty Four) months from Completion) to comply with the same. During these 6 (Six) months, the Promoters/Company will have an option (but not an obligation) of buying the Investors Shares such that the Investors receive the higher of: (i) FMVES; or (ii) the Liquidity Preference Amount (such higher amount is referred to as the "Minimum Realization").

45.16 For clarity, any initial public offering or Strategic Sale shall be only with the prior consent of the Investors.

ASSET SALE

45.17 In the event that the Company fails to make an initial public offering, QIPO or a Strategic Sale or buyback/Promoter purchase as set out in Article 45.2 to 45.16, within 54 (fifty four) months from the Completion Date, then without prejudice to the other rights of the Investors, the Company shall sell the shares of SIS Australia Holdings Pty. Limited or any other strategic asset (including shareholding in joint ventures of the Company, subject to the terms thereof, or any of the subsidiaries (except any operating assets or shares of the Company)) and distribute the proceeds thereof to the Investors such that the Investors receive Minimum Realisation. Such sale and distribution shall take place in the manner specified by the Investors.

SWAP

45.18 Subject to applicable Law and required Consents, in the event that the Company fails to make a QIPO or a Strategic Sale or buyback/Promoter purchase as set out in Article 45.2 to 45.16, within 54 (Fifty Four) months from the date of Completion, then without prejudice to the other rights of the Investors, the Investors shall have the right to swap up to its entire shareholding in the Company, at its option any time after 54 (Fifty Four) months from the Completion Date, into the shareholding of any other Australian Subsidiary at the Minimum Realisation, based on the fair market value of that Subsidiary (determined in the same manner as the Fair Market Value). Such swap shall take place at the option of the Investors, (i) in the manner specified in Article 59, (ii) subject to obtaining of relevant Government Approvals, through a mechanism as may be mutually agreed between the parties at the time of exercise of the Swap and (iii) and may also take place through the conversion of the Specified Security or the acquisition by the Investors of the Escrow Shares.

BVI COMPANY

45.19 Upon request by the Investors at any time after the expiry of 54 months from the Completion subject to the Company failing to consummate an initial public offering, Qualified IPO or Strategic Sale or buyback/Promoter purchase as set out in Article 45.2 to 45.16 within such time, the Specified Security shall be convertible into such percentage of the share capital of BVI Company as will enable the Investors to realize the Minimum Realisation. For this purpose (i) the Investors shall be entitled to require such conversion to take place at any time prior to any sale of shares of BVI Company or its subsidiaries (ii) the proportion of shares of the BVI Company that the Specified Security converts into shall be determined on the basis of (i) if an offer for the purchase of the shares of the BVI Company from a third party is subsisting, then on the basis of such offer, so that the Investors would, on the sale of the shares into which the Specified Security converts, receive the Minimum Realisation and (ii) if no such offer is available, then on the basis of the fair market valuation of the BVI Company, which shall be determined in the same manner as the Fair Market Value.

ESCROW

45.20 The Company shall place 100% (one hundred percent) of the share capital of the SIS Australia Holdings Pty. Limited in escrow ("Escrow Shares"), immediately upon release of the pledge with the State Bank of India and in any event no later than: (i) 42 (forty two) months from Completion; or (ii) December 31, 2015, whichever is earlier. The Investors shall be entitled to require the said Escrow Shares to be transferred to the Investors, in the event that the Company fails to consummate an initial public offering, Qualified IPO or Strategic Sale or buyback/Promoter purchase as set out in Article 45.2 to 45.16 and (a) there is any delay or breach in the conversion of the Specified Security; or (b) if the swap option mentioned in Article 45.18 is not given effect to; or (iii) if the Asset Sale required under Article 45.17 is not given effect to.

It is further clarified that:

(i) any sale of the Specified Security or the Escrow Shares or any other strategic asset of the Company will only be to the extent that the Investors realizes the Minimum Realization, and any additional amounts realized will be paid over to the Promoters / Company in proportion to their shareholding; and any additional shareholding retained by the Investors in the Company will be transferred back to the Company at the lowest price permissible under Law after and subject to receipt of the Minimum Realization by the Investors.

(ii) Any shareholding received by the Investors in the BVI Company, including the transfer of the Escrow Shares, will only be equivalent in value to the Minimum Realization, based on the fair market value of the BVI Company and the Company and any additional amounts realized will be paid over to the Promoters / Company in proportion to their shareholding.

FIRST DRAG

45.21 In the event that the Company: (i) fails to consummate an initial public offering, Qualified IPO or Strategic Sale or buyback/Promoter purchase as set out in Article 45.2 to 45.16; and (ii) fails to provide the Minimum Realisation to the Investors pursuant to Articles 45.17, 45.18 and 45.19 and distribution of the proceeds thereof to the Investors, in each case, by the end of 66 (sixty six) months from the Completion Date, the Investors may at their discretion offer the Escrow Shares to any other strategic Person or by way of trade sale at any price deemed fit by the Investors, subject to a right of first offer on the Escrow Shares in favour of the Promoters. For the purposes of this right of first offer, the provisions of Article 42.9 shall *mutatis mutandis* apply.

45.22 The Investors will also have the option to require the Company and its Subsidiaries to sell off all the direct and indirect shareholding of the Company in any of its joint ventures (including but not limited to the Subsidiaries formed under the JV Agreements (subject to the terms of the JV Agreements) and its Subsidiaries) on such terms and conditions as the Investors may determine. The Investors shall receive the Minimum Realisation from the proceeds of such sale, in such manner as the Investors may specify. For this purpose, the Investors shall also have the rights mentioned under "Event of Default" below. Such sale shall be subject to a right of first offer in favour of the Promoters. For the purposes of this right of first offer, the provisions of Article 42.9 shall *mutatis mutandis* apply.

45.23 It is clarified that upon the implementation of the First Drag in accordance with Articles 45.21 and 45.22 above, all rights accruing to the Promoter / Promoter Group in relation to the Subsidiary whose shareholding is disposed of in accordance with Article 45.22, shall fall away with immediate effect and the Promoter / Promoter Group shall no longer be entitled to exercise any of their rights under the Agreement with respect to such Subsidiary.

SECOND DRAG

45.24 In the event that the Company: (i) fails to consummate an initial public offering, Qualified IPO or Strategic Sale; or buyback/Promoter purchase as set out in Article 45.2 to 45.16 and (ii) fails to provide the Minimum Realisation to the Investors by sale of SIS Australia Holdings Pty. Limited, and other strategic assets of the Company and its Subsidiaries and distribution of the proceeds thereof to the Investors, in each case by the end of 78 (Seventy Eight) months from the Completion Date; or (iii) the Company has committed a material breach of any Investment Document, then the Investors shall have the rights in as mentioned in Article 45 and further, the Investors shall be entitled to sell all or other portion of its Equity Securities held by the Investors to a third party of their choosing without the consent or approval of the Promoters, and shall also have the right, but not the obligation, to require the Promoters to sell such proportion of the Equity Securities held by the Promoters in the Company so that the aggregate Equity Securities sold to such third party (i.e., the Investors Shares and the shares held by the Promoters) represent up to 49% (Forty Nine per cent) of the share capital of the Company. The Investors shall receive the higher of the Minimum Realisation on their pro-rata share from such sale. For the avoidance of doubt, such sale by the Investors shall not be subject to any approval or consent of any other shareholder or the Company. Such sale shall be completed in the manner specified in Article 60, subject to a right of first offer on the Investors Shares in favour of the Promoters. For the purposes of this right of first offer, the provisions of Article 42.9 shall *mutatis mutandis* apply.

45.25 The time periods for some of the exit options mentioned above shall stand extended only to the extent and in the circumstances mentioned below.

Sl. No.	Type of Exit	Extension
1.	QIPO or Strategic Sale or Offer for Sale in accordance with Article 45.1 to 45.16	In accordance with the terms of the Agreement, the Company and the Promoters will commit to ensure and enable a QIPO or a Strategic Sale on or before March 31, 2016 or 4 (four) years from Completion, whichever is later.

Sl. No.	Type of Exit	Extension
		In the event the process for a QIPO is commenced by the Company/ Promoters, the Investors shall not require a Strategic Sale to be commenced in the QIPO Extension Period. "QIPO Extension Period" means, in the event the Red Herring Prospectus for the QIPO has been filed with relevant authorities with the Investor's Consent, a period of three months from the filing of the Red Herring Prospectus. In the event the process for a Strategic Sale is commenced by the Company/ Promoters, the Investors shall not require a QIPO to be commenced in the Term Sheet Extension Period. In the event a non-binding term sheet has been signed by the Company and the Promoters (with the Investor's Consent) for another Exit Event which is in accordance with the Agreement, then the period until the earlier of (i) the expiry of the exclusivity period specified under the term sheet and (ii) the expiry of 3 (three) months from the date of the said term sheet is referred to as the "Term Sheet Extension Period".
2.	Swap in accordance with Article 45.18	The said right under Article 45.18 shall not be exercised during (i) the OFS Extension Period and (ii) the Term Sheet Extension Period. "OFS Extension Period" means, in the event the Red Herring Prospectus for the Offer for Sale have been filed with relevant authorities before the end of 54 (Fifty Four) months from Completion with the Investor's Consent, a period of three months from the filing of the Red Herring Prospectus.
3.	First Drag in accordance with Article 45.21 to 45.23	The Swap right under Article 45.21 to 45.23 shall not be exercised during (i) the OFS Extension Period and (ii) the Term Sheet Extension Period.
4.	Second Drag in accordance with Article 45.24	The said right under Article 45.24 shall not be exercised during (i) the OFS Extension Period and (ii) the Term Sheet Extension Period.

This Article 45.25 shall cease to apply on the expiry of 78 (seventy eight) months from Completion.

46. *REGISTRATION RIGHTS*

46.1 In the event of the Company achieving an overseas listing and if permitted by the then prevailing Law, the Investors shall be entitled to demand that all or part of the Equity Shares in the Company held by the Investors be converted into ADRs / GDRs.

46.2 In the event of a listing of securities of the Company on any exchange in the USA, the Investors shall also be entitled, subject to applicable Law, to demand rights pursuant to which the Company will be required to register the securities and/or ADRs / GDRs held by the Investors with all appropriate and necessary regulatory authorities required to ensure unlimited transferability of such securities and/or ADRs/GDRs and to effect a public offering of such securities and/or ADRs/GDRs. Such demand registration shall be affected upon the request of the Investors.

46.3 The Company will, subject to applicable law, pay the expenses of the Investors in all demand registrations (including the fees and expenses of one legal counsel/firm of legal counsels for the Investors, but excluding underwriters' discounts and selling commissions). The Company will appoint merchant bankers, prepare a prospectus and provide all assistance for such an offering. The price and other terms of such offering shall be decided in consultation with the Investors and should be acceptable to the Investors.

46.4 In the event of an overseas offering of depository receipts by the Company, the Investors will have, subject to applicable law, unlimited piggyback rights (register the securities and/or ADRs/GDRs held by the Investors and to make an offer for sale simultaneously) in all primary offering and all other secondary offerings of the

Company's securities or ADRs/GDRs. If the Law requires that the Company extend the piggyback rights to all shareholders, then the Company will increase the size of a potential ADR / GDR offering such that the Investors will be able to participate to the extent desired by the Investors. The Company will pay the expenses of the Investors in all piggyback registrations (including the fees and expenses of one legal counsel/firm of legal counsels for the Investors, but excluding underwriters' discounts and selling commissions).

46.5 The Company will not grant other registration or secondary offering rights, other than rights that are *pari passu* with that of the Investors.

47. *DEFAULTS*

47.1 In the event that:

(i) the Promoters and/or the Company breach the Agreement or any other documents executed by the Parties; or
(ii) any Fraud has taken place with respect to the Company or the Investors by the Promoters; or
(iii) any involuntary liquidation, dissolution or winding up of the Company ordered by a court of competent jurisdiction,

then, without prejudice to its other rights, the Investors shall be entitled to convert the CCDs into the largest number of Equity Shares permissible under applicable Law, to enable the Investors to realize the Minimum Realisation. Further, the events mentioned above shall constitute "Events of Default".

47.2 An "Event of Default" shall take place on the occurrence of the earlier of any of the following:

(i) Any breach of, or delay in the implementation of any obligations under the provisions of the Agreement or any Ancillary Agreement;
(ii) Occurrence of any event, or any other event arising out of a breach or default by any Group Company or Promoters which has, or may with the passage of time, receipt of notice or otherwise, constitute a Material Adverse Effect on any Company or any Group Company;
(iii) Any failure to make payments to lenders by the Company for a period exceeding 75 (seventy five) days from the due date as provided in the loan document;
(iv) Any persistent breach of any agreements pertaining to Indebtedness by any Group Company; or;
(v) Fraud or embezzlement by the Promoters in relation to the Company.

Provided that any of the above breaches or defaults set out in this Article 47 which is cured within a period of 30 (thirty) days from the date of notification by Investors of such occurrence thereof shall not be considered an Event of Default. All breaches within the knowledge of the Investors should be communicated to the Company forthwith. For the purposes of these Articles "Fraud" shall have the meaning ascribed to it under the Indian Contract Act, 1872.

47.3 On and at any time after the occurrence of an Event of Default, without prejudice to its other rights hereunder, the Investors shall be entitled to exercise any of the rights mentioned below:

(i) convert the Specified Security so as to hold such percentage of the share capital of the BVI Company as will entitle it to realize the Minimum Realisation based on the value to be realised by the Investors on Transfer of such shares of BVI Company; or call on the Company to transfer its shares in BVI Company to the Investors at the lowest price permissible in Law to achieve the above. In both cases the fair market value will be arrived at as set out in Article 59;
(ii) exercise the voting and beneficial ownership of all the shares of BVI Company held by the Company or its Subsidiaries to the extent above;
(iii) dispose of the shares held by the Investor in the BVI Company and/or utilize the cash flows from BVI Company, until the Investors receive, from such sales and cash flows, the Minimum Realisation. Further, in such event, the Investors Shares held by the Investors shall be convertible into the

maximum number of Equity Shares permissible under law to enable the receipt by the Investors of the cash flows. In the event the Investors receives Minimum Realisation from the cash flows of the BVI Company, the Investors shall transfer all securities held by the Investor at that point in the Group Companies to the Promoters at the lowest value permissible under applicable Law; or if not possible, will: (i) vote as instructed by the Promoters; and (ii) transfer all economic benefits (net of Taxes and expenses) to the Promoters; and/or

(iv) The Investors shall be entitled to exercise its rights under Article 45.21 to 45.23 (First Drag) and Article 45.24 (Second Drag); and/or

(v) Sell all or any of the Investor's Shares to any Person or Persons without any restriction. It is clarified that the provisions of Article 42 and all other restrictions contained herein shall cease to apply in respect of any Transfer of the Investor's Shares.

It is clarified (in all cases whether in an Event of Default or otherwise) that any conversions or holding in the Company or its Subsidiaries will be to the extent that permits the Investors to realize the Minimum Realisation, based on the price at which the concerned Exit Event is taking place and any additional realisation will be returned to the Company and the Promoters.

48. *PROMOTE*

48.1 If, upon sale of all or any of the Equity Securities of the Company by the Investors, the Investors realise ("Realisations") net of all expenses, including investment banking fees, brokerage charges, legal, accounting and other expenses and deductions which are related to the acquisition, maintenance and sale of the said Equity Securities) an amount which is in excess of an IRR of 25% (twenty five percent) in respect of the subscription/purchase price paid by it in respect of such Equity Securities, then the Realisations which are in excess of 25% IRR shall be divided between the Investors and the Promoters in the in ratio of Investors 25: Promoters 75. All such expenses incurred by the Investors shall be certified by the Investors auditor.

48.2 It is clarified that all pay outs to the Investors (whether by dividend or interest or any other manner) in respect of, and in relation to, the Investors Shares (other than reimbursements or indemnifications of payments and expenses) will be reckoned in the IRR computation in accordance with the definition of IRR.

48.3 The amounts to be paid to the Promoters as mentioned above (the "Promote") shall be paid at the times, and shall be calculated, in the manner mentioned below:

(i) If, on the occurrence of a QIPO, the Investors can sell all the Equity Securities held by it in the QIPO and the Investors sell all the Equity Securities held by it in such QIPO, then the Promote shall be paid to the Promoter on the sale by the Investors of all its Equity Securities, based on the price at which the QIPO is made and proceeds consequently realized by the Investors;

(ii) If, on the occurrence of a QIPO, the Investors can sell all the Equity Securities held by it in the QIPO, but the Investors sell less than all the Equity Securities held by it in the QIPO, then the Promote shall be paid to the Promoters for the aforementioned sale by the Investors of such number of its Equity Securities as it has decided to sell in the QIPO, based on the price at which the QIPO is made and proceeds consequently realized by the Investors. For this purpose, the Promote shall be calculated as if the Investors have sold all the Equity Shares held by it in the QIPO at the price at which the QIPO is made;

(iii) If, on the occurrence of a QIPO, the Investors are requested by the Company, the Promoters or any advisor to the Company, to sell less than all the Equity Shares held by it in the QIPO, then the Promote shall be paid on the expiry of 24 (twenty four) months from the date of completion of the QIPO based on the actual realizations of the Investors, provided that there is adequate liquidity for the sale of all the other Equity Securities held by the Investors in the Company. It is clarified that Article 49 (Liquidity Preference) shall continue to apply in respect of the Equity Securities that continue to be held by the Investors. The adequacy of the liquidity shall be determined as follows:

liquidity shall be adequate if in the aforesaid 24 month period, X (calculated as below) at any time is less than or equal to 20;

X= Number of Investors' Shares on a Fully Diluted Basis/Average daily trading volume in the shares of the Company over the preceding continuous 180 day period.

It is clarified that in the case of (a) and (b) above, Article 49 (Liquidity Preference*)* will not apply after the Promote has been paid as mentioned above.

(iv) If, prior to the earlier of (i) a QIPO, and (ii) 48 (forty eight) months from Completion:

a. The Investors sell some of the Equity Securities held by it to an investor initially identified by the Investors, then the Promote shall be paid on the Equity Securities actually sold based on the price per Equity Share at which such Equity Securities are sold. The Promoter shall be paid at the point of receipt of the sale consideration of such securities.
b. The Investors sells some of the Equity Securities held by it to an investor initially identified by the Promoters or the Company, then the Promote shall be paid on the Equity Securities actually sold, based on the price per Equity Share at which such Equity Securities are sold, only if the Investors have received a realization of at 2 (two) times the subscription/purchase price paid by it in respect of the Equity Securities so sold. The Promoter shall be paid at the point of receipt of the sale consideration of such securities.

(v) If no QIPO has taken place within 48 (forty eight) months from Completion, then the Promote shall be paid upon sale of all the Equity Securities held by the Investors, based on the actual realization received by the Investors.

48.4 The Promote shall be paid through either: (i) through the issue of Class A Compulsorily Convertible Debentures or other instruments at the lowest price possible; or (ii) the payment of the relevant Promote to the Promoters; (iii) any other manner mutually agreed. Such sharing shall be net of expenses as mentioned in Article 48.2 above. The manner of such payment shall be mutually agreed between the Promoter and the Investors. Any payment of Promote shall be subject to deduction of all Taxes as required under Law (excluding taxes on Income). For this purpose, the Promoters and other shareholders of the Company shall be allotted 500,000 (five hundred thousand) convertible debentures representing the right to subscribe to 500,000 (five hundred thousand) Equity Shares at par (Class A Convertible Debentures"). If the Promote is to be paid through the exercise of the Class A Convertible Debentures in accordance with this Article 48.4, the required number of Class A Convertible Debentures will be exercised when the Promote is to be paid such that the Promote sharing mechanism as mentioned above can be implemented. For this purpose, the Equity Shares to be allotted on exercise of Class A Convertible Debentures shall be valued at the average price at which the Investors has sold (or is deemed to have sold) all its Equity Securities.

48.5 The terms and conditions Class A Convertible Debentures shall be as set out in Article 61. If the Promote is not payable, the Class A Convertible Debentures shall convert into one Equity Share.

48.6 The Promoters and other shareholders of the Company shall not pay any initial consideration for allotment of Class A Convertible Debentures and shall only pay the par value on exercise. All Class A Convertible Debentures shall be converted or extinguished prior to any initial public offering by the Company.

49. *LIQUIDITY PREFERENCE*

49.1 "Liquidity Preference Amount" shall mean: (A) the higher of: (i) 16% (sixteen per cent) IRR on the Investment Amount; or (ii) one and half times the Investment Amount, in the event any Liquidity Event is triggered by the Company or the Promoters; and (B) 16% (sixteen per cent) IRR on the Investment Amount if such Liquidity Event is triggered by the Investors.

49.2 In the event that any Liquidity Event takes place then the Investor will receive the Liquidity Preference Amount or the pro-rata share of the proceeds received by the Investor, based on its shareholding in the Company on an as converted basis, plus all unpaid dividends. Thereafter, the balance proceeds shall be distributed to the other shareholders, pro-rata to their shareholding in the Company without the Investors participating again.

49.3 It is further agreed that in the event that the aforementioned Article 49.1 is not enforceable for any reason whatsoever, the following shall apply:

(i) in the event of the occurrence of a Liquidation Event and after payment or provision for payment of debts and other liabilities of the Company, the surplus (after such payment) shall be distributed amongst the shareholders of the Company in proportion to their shareholding in the Company. In the event that the amount, if any, received by the Investors is less than the Liquidation Preference Amount, the other shareholders of the Company shall, out of the amounts received by them, pay over an amount to the Investors so that the Investors receive an amount equal to the Liquidation Preference Amount due to it. Any Tax on these amounts may be, subject to applicable law, withheld by the other shareholders and, thus, for the purpose of determining whether the Investors have received the Liquidation Preference Amount, the amount of Tax so deducted shall be deemed to form part of the consideration received by the Investors.

(ii) To the extent necessary, the other shareholders of the Company waive their rights and entitlements to their share in any payment pursuant to a Liquidation Event and to the extent that such payments are made to, or received by the other shareholders of the Company, they shall hold the payments received by them in trust for the Investors.

49.4 The Promoters and the Company shall apply for and use their best endeavours to obtain all such approvals and take all such actions as may be required to permit such payment to the Investors.

49.5 Upon the earlier of: (i) expiry of 54 months from Completion; and/or (ii) if the Investors do not receive the Liquidity Preference Amount until 54 months; and/or (iii) in the event of an Event of Default and/or (iii) if the Investors becomes entitled to exercise its rights under Article 45.21 to 45.23 (First *Drag)* or Article 45.24 (Second *Drag)*, then the Investors shall be entitled to convert the Specified Security to 100% (one hundred percent) of the BVI Company and dispose of the same to a third. In such event, the Investors shall retain the proceeds up to the higher of FMVES or the Liquidity Preference Amount and the balance shall be delivered to the Promoters. Further, in the circumstances mentioned above, the Investors shall be entitled to require the disposal of the stake held by the Company in any subsidiary or joint venture of the Company or its Subsidiaries, and require that the proceeds thereof be delivered to the Investors in such manner as the Investors may specify, to enable the Investors to receive the higher of FMVES or the Liquidity Preference Amount. Without prejudice to the aforesaid, the Investors shall be entitled to swap all or part of their shareholding in the Company and/or the BVI Company for securities of such other subsidiary or joint venture and/or otherwise invest in such subsidiary at the lowest price permissible under law. Such swap shall be completed in the manner specified in Article 45.18 above and the Company and Promoters shall take all actions specified by the Investors to give effect to such swap. It is clarified that the Investors, in such circumstances, will be entitled to the Liquidation Preference Amount or the FMVES in preference or by participation and after receipt of the higher of the aforesaid amounts will not be entitled to further participate in the liquidation proceeds.

49.6 The provisions of Articles 49.1 to 49.3 will not apply once the Company goes public (by way of QIPO or other initial public offering) except as mentioned in these Articles.

50. *CONFIDENTIALITY*

50.1 The Company authorises the Investors to consult fully together regarding the Group and to disclose Confidential Information (or permit the disclosure of Confidential Information):

a. to each other;
b. to the Investors' lenders, bankers and auditors;
c. to any other investors or proposed investors in the Company subject to a non-disclosure agreement; after the Consent of the Company in case of a Competitor, in accordance with the restrictions under Article 42.6 (c) subject to a non-disclosure agreement being entered into with such disclosee;
d. to any proposed syndicatee or transferee or proposed transferee of the Investors Shares in the Company (including the Competitors subject to the restrictions under Article 42.6 (c) subject to a non-disclosure agreement being entered into with such disclosee;
e. to any Investor Related Party;
f. to the professional advisers of each of the persons listed in (a) to (e) above;
g. as required by Law; and
h. as required by any stock exchange or any regulatory authority to which the Investors are subject.
i. Any Investor Director may:

a. report to the Investors on the affairs of the Group; and
b. disclose Confidential Information as he shall reasonably consider appropriate to the Investors.

50.2 The Parties shall maintain the confidentiality of the terms of the Agreement, provided, that a Party may deliver or disclose such terms to any Governmental Authority having jurisdiction over such Party to the extent required by applicable Law, provided, that the disclosing Party (where circumstances require) shall provide the other Parties with prompt written notice thereof so that the other Parties may seek (with the cooperation and reasonable efforts of the disclosing Party) a protective order, confidential treatment or other appropriate remedy, and in any event shall furnish only that portion of the information which is reasonably necessary for the purpose at hand and shall exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded to such information to the extent reasonably requested by the other Parties.

51. *NON COMPETE*

51.1 The Promoters undertake to the Company and the Investors that, without prejudice to any other duty under or implied by Law, they shall not and shall procure their Affiliates shall not, as long as the Promoters hold, directly or indirectly, any shares in the Company, either by themselves or through an agent, company or otherwise in any other manner, directly or indirectly, be concerned or engaged in any business that competes with that of the Company.

51.2 The Promoters undertake to the Investors, to devote sufficient time and attention during business hours to the Business of the Company and (where applicable) the duties of their employment with the Company. As the Promoters, in the course of their employment and/or directorship and/or dealings with the Company (as applicable), are likely, from time to time, to obtain knowledge of trade secrets and other confidential information of the Company and to have dealings with the customers and suppliers of the Company, and in order to protect such trade secrets and other confidential information and the goodwill of the Company, the Promoters further undertake to the Investors and, as a separate undertaking, to the Company, in the terms set out below.

51.3 Each Promoter undertakes to the Company and the Investors that, except with the Investor's Consent and without prejudice to any other duty implied by Law or equity, he shall not, as long as he holds any shares in the Company, and/or (where applicable) during the period of his employment with the Company, and for a period of 3 (three) years after the date on which such Promoter ceases to be so employed or ceases to hold such shares in the Company (whichever is later) (the "Termination Date"), either personally or through an agent, company or otherwise, in any other manner, directly or indirectly:

(i) be concerned in any business which is similar to or competes or may compete with the Company and for this purpose, the Business carried on by the Company shall be deemed to be that carried on as at any time within the year ending on the Termination Date;

(ii) except on behalf of the Company, canvass or solicit business or custom for services similar to those being provided to the Company from any Person who is a customer of the Company and for this purpose, the services provided by, and the customers of, the Company shall be deemed to be those as at any time within the year ending on the Termination Date;

(iii) induce or attempt to induce any supplier of the Company to cease to supply, or to restrict or vary the terms of supply, to the Company or otherwise interfere with their relationship (save and except actions taken by a Promoter during the course of his employment with the Company in exercise of his power and authority as an employee of the Company and in, what he reasonably believes to be, in the interest of the Company) and for this purpose, the suppliers of the Company shall be deemed to be those as at any time within the year ending on the Termination Date; or

(iv) induce or attempt to induce any director or senior or key employee of the Company to leave the employment of the Company (save and except actions taken by a Promoter during the course of his employment with the Company in exercise of his power and authority as an employee of the Company and in, what he reasonably believes to be, in the interest of the Company) and for this purpose, references to directors and key employees shall be deemed to be those with whom the Promoter had material dealings during the year ending on the Termination Date.

51.4 The Promoters jointly and severally undertake with the Company and the Investors that they shall not use (either personally or through an agent or otherwise, directly or indirectly) or (insofar as they can reasonably do so) allow to be used, any information of a secret or confidential nature relating to the Business or affairs of the Company, except in the course of discharging their duties as an employee or a director of the Company, as the case may be.

51.5 For the purposes of Article 51, a Promoter is concerned in a business which competes with the Business if:

(i) he carries on such competing business as principal or agent; or

(ii) he is a partner, director, employee, secondee, consultant or agent in, of or to any Person who carries on, or has a direct or indirect financial interest in any Person who carries on, such competing business; or

(iii) he has any financial interest (as shareholder or otherwise) in any Person who carries on such competing business;

(iv) disregarding any financial interest of a Person in securities which are listed, or dealt in, on any generally recognised stock exchange, if the Promoter and any Person connected with him are interested in such securities which (collectively) amount to less than 1% (one per cent) of the voting rights (if any) attaching to the such securities, provided that such Person is not involved in the management of the business of the issuer of such securities or any Person connected with it, other than by the exercise of voting rights attaching to the securities; and references to the Company include its successors in Business.

51.6 Each covenant contained in each Article or paragraph above shall be, and is, a separate covenant by the Promoters and shall be enforceable separately against the Promoters and independently of each of the other covenants and its validity shall not be affected if any of the others are invalid; and if any of the covenants are void but would be valid if some part of the covenants were deleted, the covenants in question shall apply with such modification as may be necessary to make it valid.

51.7 The Parties hereto expressly acknowledge and agree that, in the context of the Company's Business and the Promoters' relationship with the Company as promoters, substantial shareholders and directors or employees of the Company, the Promoters' ownership interest in the Company is a substantial ownership interest, and that the Investors would not proceed with the subscription or the purchase contemplated under the Agreement but for the Promoters' covenants hereunder to ensure the protection of the value of the Company. The

Promoters acknowledge that the restrictions on competitive activity set forth in the Agreement are mainly to secure to the Investors the benefits of the Agreement and to protect the value of the Company after the subscription/purchase (as applicable) by the Investors of the Investors Shares and as mentioned herein, including the goodwill of the Company's Business and the potential for expansion of the Business and deem the investment by the Investors under the terms of the Agreement to be adequate consideration for the right to engage in a competitive business that they are foregoing under the Agreement and further, admit and acknowledge that they have various other skill sets and resources which, if deployed by them after they cease to be an employee of the Company, would not result in their competing against the Company.

51.8 The Promoters agree that any failure to comply with this Article 51 will reduce the value of the Investors Shares and acknowledge that monetary damages alone would not be an adequate compensation for the breach of this Article 51 and the Company and/or the Investors may seek an injunction from a court of competent jurisdiction. The Promoters, having obtained professional advice, acknowledge and agree that the covenants contained in this Article are no more extensive than are reasonable to protect the Investors as a subscriber of shares and to protect the Business of the Company.

51.9 The key management personnel of the Company, (as identified by the Investors) shall execute employment agreements (including confidentiality, non-compete (to the extent agreed by such Key Employee) and non-solicit agreements) in Agreed Form.

51.10 The provisions of this Article 51 shall not apply to the following business carried on by the Promoters:(I) vocational skills,carried out by Saksham Bharat Skills Ltd.); and (ii) training in security skills and services carried out by Security Skills Council India Ltd (SSCI). It is clarified that the Promoters shall not carry on any other business that is in competition with the Business.

52. *RIGHT TO INVEST*

52.1 The Company and the Promoters acknowledge that the Investors and the Investor Related Parties invest and may invest in numerous companies, some of which may be in competition with the Company and its Subsidiaries and the Business. The Company and the Promoters confirm and acknowledge that the Investors and the Investor Related Parties shall not be liable for any claim arising out of, or based upon: (i) the fact that they hold an investment in any Person that competes with the Company, its Subsidiaries and the Business; or (ii) any action taken by any of their officers or Representatives to assist any such Person that so competes with the Business, whether or not such action was taken as a board member of such competitive company or otherwise and whether or not such action has a detrimental effect on the Company, its Subsidiaries or the Business. The Investors shall not disclose any confidential information provided by the Company to any other Person in which it has invested or to any Person who is a director or an observer on the board of that other Person that so competes with the Business. The restriction not to disclose to any Person who is a director or an observer on the board of a Competitor shall fall away in accordance with and after the time period mentioned in Article 42.6 (c).

52.2 The Company and the Promoters unconditionally and irrevocably consent to the Investors and/or the Investor Related Parties, at any time and from time to time, investing in the equity of any Person engaged in the same or a similar business as the Business of the Company or entering into collaborations or other agreements or arrangements with any Persons in or outside India engaged in the same or a similar business as the Business of the Company or its Subsidiaries. In case the Investors and/or an Investor Related Party is investing in a competing business, it/they will, subject to any confidentiality obligations, inform the Company about the same and the Investor Director and Observer shall not be a director or observer on the Board of any Competitor of the Company. Upon the execution of the Agreement, the Company and the Promoters shall simultaneously, and thereafter from time to time, at the request of Investors or an Investor Related Party, certify that they do not object to such investment, agreement or arrangement with such Persons, in Agreed Form as may be requested by any Investors and/or an Investor Related Party.

52.3 If the Investors at any time hold any securities of the Subsidiaries, then the Company and the Promoters shall procure that the Subsidiaries shall also provide such consent as referred to in Article 0 above in respect of such Subsidiaries.

53. *FURTHER ASSURANCES*

53.1 The Company and the Promoters agree to do all such further things and to execute and deliver all such additional documents as are necessary or required by the Investors to give full effect to the terms of the Investment Documents.

53.2 The Company and the Promoters undertake with the Investors that (so far as it/they is/are legally able and permitted to do so) they will do, or procure to be done, all such further acts and things, execute or procure the execution of all such other documents and exercise all voting rights and powers, whether direct or indirect, available to it/them in relation to any Person, so as to ensure the complete and prompt fulfilment, observance and performance of the provisions of the Investment Documents and generally that full effect is given to the provisions of the Investment Documents.

54. *ASSIGNMENT AND BINDING EFFECT*

54.1 Subject to the terms of the Agreement, the Company and the Promoters and any New Shareholder shall not be entitled to, nor shall they purport to Transfer all or any of its/their rights and/or obligations under the Agreement, nor grant, declare, create or dispose of any right or interest in it, in whole or in part or create an Encumbrance.

54.2 The Investors shall be entitled to assign their rights and/or transfer their obligations hereunder to any Person, including without limitation, any Investor Related Party or any investors or prospective investor in such Investor Related Party (provided that for the first 54 (fifty-four) months from Completion, the transferee or the assignee is not a Competitor). For this purpose, the Parties shall execute such deed of adherence or other document as may be requested by Investors. Provided that, any Person other than an Investor Related Party shall hold Equity Securities representing at least 7.5% (seven point five per cent) of the fully diluted equity share capital of the Company in order to be entitled to the right to appoint a director on the Board. Provided that, subject as above and Article 42.6 (d): (i) each assignee of rights shall be entitled to the benefit of rights pertaining to the Investor Shares in proportion to the securities of the Company held by it; and (ii) all the holders of such rights shall designate one amongst them to communicate all decisions of such holders to the Company and the Promoters.

54.3 The Investors shall be entitled to transfer their Equity Securities and any rights and obligations hereunder to any Investor Related Party respectively, free from any restriction as to price or otherwise. Subject to applicable Law, a transfer of shares of any class in the Company by an Investor Related Party to another Investor Related Party may be made without restriction as to price or otherwise.

54.4 In relation to any rights available under the Agreement on the basis of the number of Equity Securities or the percentage of the Company's share capital held by the Investors, the Investors shall be entitled, at their sole discretion, to aggregate the Equity Securities held by any member(s) of the Investor Group with those held by the Investors.

54.5 Subject to the terms hereof, the rights and obligations of the Investors hereunder shall be several and not joint. Provided that, prior to exercising any of their rights hereunder, AAJV shall agree with Theano as to the manner of exercise of these rights.

55. *SUBSIDIARIES/ATTORNEY*

55.1 The provisions of the Agreement shall, subject to the JV Agreements, apply *mutatis mutandis* to all Subsidiaries of the Company and the Company and the Promoters shall procure that the Subsidiaries act in accordance with the Agreement. It is clarified that the Investors shall not be required to hold any shares of the Subsidiaries.

55.2 Mr. Rituraj Sinha is hereby irrevocably appointed as agent and attorney-in-fact for each Promoter and, for and on behalf of each Promoter, and shall agree and execute the Agreement and any amendments to the provisions of the Agreement, give and receive notices and communications, agree to negotiate, enter into settlements and compromises, execute any agreements or documents and demand arbitration and comply with orders of courts and awards of arbitrators with respect to the Agreement and take all actions necessary, expedient or appropriate in the judgement of Mr. Rituraj Sinha to achieve the foregoing.

56. *DISPUTE RESOLUTION*

56.1 Any dispute arising out of or in connection with the Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in New Delhi in accordance with the Arbitration Rules of the London Court of International Arbitration ("LCIA Rules") in force at the date of applying for arbitration, which rules are deemed to be incorporated by reference in the Agreement.

56.2 The number of arbitrators shall be 3 (three). The Investors and the Promoters shall appoint one arbitrator each, and the 2 (two) arbitrators appointed by them shall, within 30 (thirty) days of the appointment of the second arbitrator, agree upon a third arbitrator who shall act as the presiding arbitrator. If the third arbitrator has not been agreed within this time period, the third arbitrator shall be appointed in accordance with the LCIA Rules.

56.3 The place of arbitration shall be New Delhi, India and the language of the arbitration shall be English.

56.4 Notwithstanding this Article 56 or any other provision to the contrary in the Agreement, no Party shall be obligated to follow the foregoing arbitration procedures where such Party intends to apply to any court of competent jurisdiction for an interim injunction or similar equitable relief against any other Party, provided there is no unreasonable delay in the prosecution of that application.

56.5 In order to facilitate the comprehensive resolution of related disputes, and upon request of any Party to the arbitration proceeding, the arbitration tribunal may, within 90 (ninety) days of its appointment, consolidate the arbitration proceeding with any other arbitration proceeding involving any of the Parties relating to the Agreement, the Ancillary Agreements or these Articles. The arbitration tribunal shall not consolidate such arbitrations unless it determines that: (i) there are issues of fact or law common to the proceedings, so that a consolidated proceeding would be more efficient than separate proceedings, and (ii) no Party would be prejudiced as a result of such consolidation through undue delay or otherwise. In the event of different rulings on this question by the arbitration tribunal constituted hereunder and any tribunal constituted under the relevant Ancillary Agreements, the ruling of the tribunal constituted under the Agreement will govern, and that tribunal will decide all disputes in the consolidated proceeding.

57. *FAIR MARKET VALUATION*

Fair Market Value must be determined in accordance with this Article 57.

57.1 Valuation: The Fair Market Value shall be determined by a single valuation prepared and issued by 2 (two) Valuers, who shall be jointly instructed by the Promoters and the Investors in accordance with the requirements and process set out in this Article 57.

57.2 *Valuer:* A valuer must be one of the "big four" accounting firms (i.e., KPMG, Ernst and Young, PriceWaterhouseCoopers or Deloitte, Haskins and Sells) or a "bulge bracket" investment bank of international repute or such other person as is mutually agreed (each a "Valuer" and collectively "Valuers").

57.3 The Promoters must appoint one Valuer and the Investor must appoint one Valuer each, within 14 (fourteen) days of the Fair Market Value being required for determination under the Agreement and, failing such appointment by the Promoters or the Investor (as applicable) ("Failed Appointer"), the Valuer appointed by the other appointer shall select a Valuer on behalf of the Failed Appointer.

57.4 Process for valuation: In determining the Fair Market Value, the Valuers are to be jointly instructed to conduct the valuation in accordance with the following process:

(i) The Promoters and the Investor must promptly and no later than 7 (seven) days, following a requirement for the Fair Market Value to be determined under the Agreement prepare all the relevant information required by the Valuers.

(ii) If the Valuers request further information or instructions in connection with the valuation that may materially impact on the valuation outcome or process, the Promoters and the Investor must promptly, and no later than 3 (three) days, following such a request respond to that request (or together or individually).

(iii) Unless the Promoters and the Investor agree otherwise, the Valuer must:

a. determine a specific value rather than a range of values;
b. value the Company as a whole and on the basis that there is no discount for a minority holding of securities nor a premium for a holding of securities that will give the buyer a controlling interest;
c. use the discounted cash flow method which may be augmented with regards to other generally accepted valuation methodologies, as provided below;
d. the estimated cash flows used for the discounted cash flow calculations will be based on profits and cash flows available for distribution to shareholders and will not include any incremental cash flows based on potential future acquisitions or new initiatives or businesses except those as may be existing on the date of such valuation;
e. carry out a review of the Business and the financial plans of the Business including:

A. analysis of the information received from the Promoters and the Investor on the Business;
B. analysis of historical market data, projected growth rate of the market and market share;
C. interviews and discussions with Key Management Personnel of the Group (as required by the Valuers);
D. reviewed analysis of the current Business Plan (and the business plan of the Subsidiaries) approved in accordance with the Agreement; and
E. analysis of published market data and other public information available to the Valuers, if any, related to the Company and the Business; and
F. subject to the above, on any basis that it considers appropriate in its professional opinion.

(iv) The Promoters and the Investor will cause the Valuers to discuss the Business Plan with the management of the Company ("Management") and will invite comments from the Company and the Investor with regards to the appropriateness of the assumptions for the financial projections of the Business.

(v) The Promoters and the Investor will cause the Valuers to prepare and present the valuation in a factual memorandum ("Factual Memorandum") and a valuation memorandum ("Valuation Memorandum") (collectively "Memorandum") for the Company and the Business based on the above information and supplemented by information available in the industry, information provided by the Promoters and the Investor and the subsequent analysis of the same undertaken by the Valuers.

57.5 Valuation Methodologies

(i) The Promoters and the Investor will cause the Valuers to undertake the valuation by using the discounted cash flow method ("DCF"), but shall also use other generally accepted valuation methodologies (e.g. Market Approach).

(ii) The DCF method involves estimating the future cash flows of a business and discounting them to their present value. The discount rate selected is based on consideration of the risks inherent in the investment and market rates of return available from alternative investments of similar type and quality as of the valuation date. The DCF method will be based on the concepts of "time value of money" which states "cash today is worth more than the same amount of cash in the future".

(iii) The timeframe for completion of a valuation exercise would be 3 (three) weeks from the provision of the Business Plan and all the assumptions underlying the Business Plan. The Promoters and the Investor will cause the Valuers to present their findings in the form of the Memorandum. The Memorandum will include the reasoning and basis of the Valuation, methodologies and conclusion. The Promoters and the Investor will cause the Valuers to issue a draft Factual Memorandum and Valuation Memorandum prior to the issue in final form.

(iv) The Promoter and the Investor will be required to discuss and resolve any clarifications within 10 (ten) days of the submission of the draft Factual Memorandum, which will be followed by the issue of the Valuation Memorandum. In the event the draft Factual Memorandum is not confirmed in this period, it will be treated as final.

57.6 Valuation: If the Valuers are unable to agree upon a single valuation within the prescribed time, each Valuer shall issue its own valuation in accordance with the above requirements. If the valuation by the Valuers differs by less than 15%, the fair market value will be the average of the value arrived at by the Valuers.

Where a valuation by one Valuer ("Higher Valuer") is greater by more than 15% (fifteen percent) of the valuation by the other Valuer ("Lower Valuer"), the Promoters and the Investor shall, within 5 (five) days of the last Valuer delivering its written valuation, jointly appoint a third Valuer and, failing such appointment, the Promoters and the Investor must, within a further period of 5 (five) days, appoint a third valuer selected by the President of the Indian Council of Arbitration to undertake a valuation (in either case, the "New Valuer"). The New Valuer must determine the Fair Market Value in accordance with this Article 57 and deliver a written valuation to the Promoters and the Investor within 20 (twenty) days of the New Valuer's appointment. If the valuation by the New Valuer is:

(i) equal to or higher than the Higher Valuer, the Fair Market Value will be the average of the valuations determined by the Higher Valuer and the New Valuer; or
(ii) lower than the Lower Valuer, the Fair Market Value will be the average of the valuations determined by the New Valuer and the Lower Valuer; or
(iii) between the Higher Valuer and the Lower Valuer the Fair Market Value will be the average of the valuations determined by the Higher Valuer, Lower Valuer and the New Valuer.

57.7 Access: The Company must ensure that each Valuer and New Valuer:

(i) has a right of access, at all reasonable times, to the accounting records and other records of the Group; and
(ii) can require from any officer of a Group Company, any information or explanation the Valuer requires to determine the Fair Market Value.

57.8 Expert: The Parties acknowledge and agree that each Valuer acts as an expert and not as an arbitrator in conducting the valuation.

57.9 Valuation binding: Subject to the other provisions hereof, the valuation conducted by each Valuer is conclusive and binding on the Parties in the absence of manifest error.

57.10 Costs of Valuer: The Parties agree that the costs of each Valuer in connection with the valuation are to be borne by the Company.

58. *RESERVED MATTERS*

58.1 Acquisition or sale

(i) Acquisition of shares, assets, business, business organization or division of any other person where the value of such transaction is greater than 10% (ten per cent) of approved yearly plan.

(ii) Sale of Properties other than in the manner and to the extent contained in Article 44.4 of the Agreement.

(iii) Sale, transfer or other disposition of, the Company, any of its Subsidiaries or any other change in the capital structure of the Company and its Subsidiaries.

(iv) Sale, transfer, assignment, mortgage, pledge, hypothecation, grant of security interest in, subject to any lien, or otherwise dispose of, any assets or securities of the Company or any of its Subsidiaries, with a fair market value of such assets or securities exceeding Rs. 5,00,00,000 (Rupees five crores) in a single transaction, or Rs.10,00,00,000 (Rupees ten crores) on an aggregate basis, in any calendar year.

(v) Any agreement, arrangement, transaction or assignment of any assets of the Company with a value of more than Rs.10,00,00,000 (Rupees ten crores).

58.2 Change of corporate structure of the Company

(i) Creation of legal entities, joint ventures or partnerships, mergers, de-mergers, spin-offs and consolidations, creation of any new Subsidiaries where the value of such transaction is greater than Rs.10,00,00,000(Rupees ten crores).

(ii) Dissolution, winding-up or liquidation of the Company or any of its Subsidiaries, whether or not voluntary, or any restructuring or reorganization which has a similar effect

58.3 Changes to share capital

(i) Any change in the issued, subscribed or paid up equity or preference share capital of the Company, or reorganization of the share capital of the Company, including new issuance of shares or other securities of the Company or redemption, retirement or repurchase of any shares or other securities, issuance of convertible debentures or warrants, or grant of any options over its shares by the Company, except existing employee stock options ("ESOPs") or awards convertible into ESOPS.

(ii) Any changes in class rights for securities (directly or indirectly).

58.4 Operating matters outside ordinary course of business

(i) Providing guarantees or making any loans (other than in the ordinary course of business and subject to an agreed maximum limit of Rs.10,00,00,000(Rupees ten crores)

(ii) Entry into or amendments to any exclusive marketing agreements or arrangements, other than in the normal course of business.

(iii) Incurrence, issuance or assumption of any form of Indebtedness in excess of 10% (ten per cent) of the levels agreed upon in the annual budget.

(iv) Capital expenditure, including constructions and leases, in excess of 10% (ten per cent) of approved budgets.

(v) Entering into, amendment or termination of any agreement or commitment that imposes obligations or liabilities on the Company or any of its Subsidiaries to pay an amount or provide services or products generating revenues of Rs. 5,00,00,000 (Rupees five crores) or more for India and AUD 5,000,000(five million Australian Dollars) or more for Australia, in one calendar year, or imposes or is likely to impose on the Company or any of its Subsidiaries any obligation or liability, which is not capable of being quantified in monetary terms.

58.5 Actions related to employees

(i) The appointment or removal and determination of the terms of employment of the managing director, whole-time or executive director, chief executive and directors including and any significant changes in the terms of their employment agreements.

(ii) Create or adopt any new or additional equity option plan, or change, modify or amend any existing equity option plan.

58.6 *Other Corporate Actions*

(i) Commencement of any new line of business, which is unrelated to the Business of the Company, or making of any investment (other than short-term deposits with banking institutions).

(ii) Listing/de-listing of the Company or any Subsidiary shares on any stock-exchanges or change in legal status e.g. public to private company status etc.; the taking of steps towards or appointment of any advisers in connection with a potential sale or flotation (on any new stock exchanges) of securities of the Company or any Subsidiary.

(iii) Declaration or payment of dividends or other distributions on any class of Equity Securities of the Company that is not in accordance with Article 43.19.

(iv) Approval, adoption, amendment or modification of the Business Plan or annual budget, or the taking of any action that would be inconsistent with the Business Plan or budget then in effect.

(v) The prosecution or settlement of legal actions or claims where the aggregate amount of all claims so prosecuted or settled would exceed Rs.10,000,000 (Rupees ten million) or AUD 1,000,000 (One Million Australian Dollars)in any financial year.

(vi) Affiliated or related party transactions, agreements or arrangements between the Company and the Promoters, the Connected Persons/Concerns or their Affiliates (except existing arrangements listed in the Disclosure Letter).

(vii) Any amendment, supplement, modification or restatement of the Organisational Documents of the Company or any of its Subsidiaries as in effect on the date hereof.

(viii) Material changes to accounting or tax policies, procedures or practices or change of internal or statutory auditors.

(ix) Delegation of authority or any of the powers relating to any matter contained in this Article by the Board of the Company and/or its Affiliates to any individual or committee and any commitment or agreement to do any of the foregoing.

(x) Change of registered office.

(xi) Any deviation from the conditions relating to Benefit Plans specified in the Disclosure Letter.

59. *SWAP*

59.1 The swap shall be completed as under:

(i) The Investors shall purchase Y equity shares from the Company for an aggregate consideration equal to X. The Promoters and the Company shall take all actions required for this purpose, including without limitation, applying for all Governmental Approvals and making all requisite filings.

(ii) X shall be determined as under:
X= the minimum purchase price, as per applicable Law, for Y equity shares of the Specified Subsidiary;

Y = such number of equity shares of the Specified Subsidiary, the fair market value of which is equal to the fair market value of the Equity Securities of the Company held by the Investor.

"Specified Subsidiary" means BVI Company and/or any other Australian Subsidiary of the Company.

59.2 The Company shall, subject to applicable Law, simultaneously with the receipt of X from the Investors as mentioned above, purchase the Equity Securities held by the Investors, from the Investors for a purchase price equal to X. The Promoters and the Company shall take all actions required for this purpose, including without limitation, applying for endeavouring to obtain all Government Approvals and making all requisite filings. If required, the Investors may require that the CCDs convert into such number of Equity Shares of the Company as will enable the Company to purchase the said Equity Shares so that Investor receives an aggregate consideration of X.

59.3 In the event that the Minimum Realisation is higher than the FMVES of all the shares of the Specified Subsidiary, then the Investors shall be entitled to require that only the minimum number of Equity Shares held by the Investor are exchanged for all the shares of the Specified Subsidiary in the manner mentioned above, and the Investors continue to retain the remaining Equity Securities in the Company.

60. *DRAG PROCESS*

60.1 The Investors shall have the right, in terms of Article 45.24, to Transfer or sell up to all of the Investors' Shares in the Company to a third party and to require the Promoters to offer up to such number of shares of the Company held by the Promoters as the Investor may specify (such that the Investors' shares together with the Promoters shares shall not exceed 49% (forty nine per cent) of the Company's fully diluted share capital), to such third party.

60.2 It is clarified for the aforesaid purposes that such sale shall be implemented in a manner which provides the Investor with the higher of: (i) the Minimum Realisation, or (ii) the actual value realised by the Investor for the Investors' Shares being sold (such higher amount is referred to as the "Benchmark Value"). The CCDs shall convert at the option of the Investors in accordance with the terms of the CCDs into such number of Equity Shares so that the Investors retain the minimum required proportion of the share capital of the Company as will enable them to at least realise Minimum Realisation. The exercise of the drag along right by the Investors shall be subject to the following procedures:

(i) The Investors shall deliver a written notice to the Promoters of an offer received by the Investors from any other Person (the "Purchaser") to purchase the concerned securities held by the Promoters (a "Drag-Along Notice"), setting forth in reasonable detail: (i) the number of the securities to be sold by the Investors; (ii) the number of Equity Shares held by the Promoters ("Dragged-Along Shares") that are required by the Investors to be sold to the Purchaser concurrently with the sale of the securities of the Investors; (iii) the consideration for the Dragged Along Shares; (iv) the identity of the Purchaser; (v) the proposed date and place of the closing of the sale; and (vi) confirmation that the consideration is paid in cash.

(ii) Within a period of 5 (five) Business Days from the date of the Drag-Along Notice, the Promoters shall deliver to the Investors delivery instructions in respect of the Dragged-Along Shares duly executed in a proper form to effect the Transfer of such Dragged- Along Shares to the depository account of the Purchaser.

(iii) The securities proposed to be sold by the Investors and the Dragged-Along Shares shall be sold at the same time and on the same terms and conditions (subject to receipt of all required Government Approvals) and the Parties shall cooperate with each other in the completion of the sale on such terms including by way of providing requisite representations and warranties to the Purchaser and affording all cooperation for the conduct of any due diligence in respect of the Company.

(iv) Upon the consummation of the Transfer pursuant to Article 45.24 and the provisions of this Article, the Promoters shall receive the total sale price of the Dragged Along Shares less actual costs of Transfer incurred (including without limitation, fees of counsel selected by the Investor in connection with the Transfer).

(v) In the event the sale proceeds received by the Investors from sale of the Investor's Shares pursuant to Article 45.24 and this Article are less than the Benchmark Value, either of the following shall be undertaken at the Investors' option: (i) the purchase consideration of the Promoter's shares being sold shall be reduced and the purchase consideration of the Investors' Shares be increased in a manner that the Investor receives the Benchmark Value keeping the weighted average purchase consideration unchanged; or (ii) the Promoters shall pay the shortfall to the Investors out of the sale proceeds received by them pursuant to sale of the Promoters' shares under this Article, as reduced by any withholding Tax (if any required to be withheld) such that the amount of the withholding Tax so withheld and paid to the government shall be counted in computing the amount payable to the Investors by the Promoters.

(vi) The Promoters and the Company shall use their best efforts to facilitate and assist in any Transfer as mentioned above, shall provide, and shall ensure that the management of the Company provides, such reasonable transition support, as may be requested by the Purchaser and the Promoters shall, in good faith, provide all customary representations and warranties.

61. *CLASS A CONVERTIBLE DEBENTURES*

INTEREST

61.1 The holders of the Class A Compulsorily Convertible Debentures ("Class A CCDs") shall not be entitled to any interest.

CONVERSION

61.2 The Class A CCDs shall be convertible in accordance with the Agreement and these Articles, including Article 48 of these Articles.

61.3 In the event that Article 48 of these Articles does not become applicable, all the Class A CCDs shall convert into a total of 1 (one) Equity Share.

MECHANICS OF CONVERSION

61.4 In order to effect a conversion into Equity Shares, the holder of the Class A CCDs shall give written notice to the Company (the "Conversion Notice"). The Conversion Notice should be addressed to the Company's principal corporate office and shall contain: (i) the holder's election to convert the Class A CCDs; (ii) the number of Equity Shares the Class A CCDs will be converted into; and (iii) the name or names in which the certificate or certificates for Equity Shares are to be issued.

61.5 The Conversion Notice may include a request (a "Conversion Request") requesting the Company to : (i) apply for any Government Approval for the issue of the Equity Shares to be issued upon conversion of the Class A CCDs as set forth in the Conversion Notice; and/or (ii) to take any corporate and/or shareholder proceedings or action, as may be reasonably required by the holder, to allot such Equity Shares to the holder or, subject to the terms and conditions hereof to such other Persons as the holder may designate. If the Conversion Notice is accompanied by a Conversion Request, the Company will: (i) obtain, as soon as practicable, after receipt of the Conversion Request, all Governmental Approvals, if any, specified in the Conversion Request; and (ii) within 10 (ten) days of the date of the Conversion Notice, subject to the terms and conditions hereof, initiate any corporate and/or shareholder proceedings or action to allot the Equity Shares as specified in the Conversion Request. The Company will promptly advise the holder of the Class A CCDs giving the Conversion Notice of the obtaining of such Governmental Approvals, of the taking of any such corporate and/or shareholder action and of any development relevant to such obtaining or such proceedings or action.

61.6 Any holder converting the Class A CCDs shall surrender the certificate or certificates representing the Class A CCDs to be converted at the principal corporate office of the Company either at the time the Conversion Notice is given to the Company or, if the Conversion Notice is accompanied by a Conversion Request, after receipt by the Company of all Governmental Approvals specified in the Conversion Request and after the taking of the corporate and/or shareholder proceedings or action specified in the Conversion Request (the date of such surrender, the "Conversion Date", provided that if the Class A CCD certificate(s) are received by the Company on a day which is not a Business Day or after the close of business on a Business Day, the Conversion Date shall be deemed to occur on the Business Day following the date such certificate(s) are received). Failure to surrender such certificate(s) shall not affect the conversion of any holder's Class A CCDs, provided that any holder failing to surrender its certificate(s) shall deliver to the Company a duly executed declaration of lost Class A CCD certificate in a form reasonably acceptable to the Company and such other declarations and documents required to the submitted to the Company under applicable Law. Further, such holder shall indemnify and hold harmless the Company from any and all damages, costs or expenses incurred by the Company or any other Person as a result of the lost Class A CCD certificate(s).

61.7 As soon as practicable after the Conversion Date, and in any event within fourteen (14) days thereafter, the Company, at its own expense, will cause to be issued in the name of, and delivered to, the holder, or, subject to the terms and conditions hereof, to such other Persons as the holder may designate, a certificate or certificates for the number of Equity Shares to which such holder shall be entitled upon such exercise. The holder shall be deemed to be the holder of record of the Equity Shares on the Conversion Date, notwithstanding that the register of members of the Company shall then be closed or that certificates representing such Equity Shares shall not then be actually delivered to the holder.

61.8 The Company shall pay any and all documentary and stamp duties payable in respect of the issue of the Equity Shares.

CONVERSION PRICE ADJUSTMENT BASED ON OTHER EVENTS.

61.9 If the Company should, at any time, fix a record date for the effectuation of a split or subdivision of the outstanding Equity Shares or the determination of holders of Equity Shares entitled to receive a distribution payable in additional Equity Shares or other securities or rights convertible into, or entitling the holder thereof to receive, directly or indirectly, additional Equity Shares (hereinafter referred to as "Equity Shares Equivalents") without payment of any consideration by such holder for the additional Equity Shares or the Equity Shares Equivalents (including the additional Equity Shares issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the conversion price of the Class A CCDs shall be appropriately adjusted so that the number of Equity Shares issuable on conversion of each Class A CCD shall be increased in proportion to such increase of the aggregate of Equity Shares outstanding and those issuable with respect to such Equity Shares Equivalents.

61.10 If the number of Equity Shares outstanding at any time is decreased by a combination / consolidation of the outstanding Equity Shares, then, following the record date of such combination / consolidation, the conversion price for the Class A CCDs shall be appropriately increased so that the number of Equity Shares issuable on conversion of each Class A CCD shall be decreased in proportion to such decrease in outstanding shares.

61.11 If at any time, or from time to time, there shall be a recapitalization or reclassification of the Equity Shares (including any such reclassification in connection with a consolidation or merger in which the Company is the continuing corporation), provision shall be made so that the holders of the Class A CCDs shall thereafter be entitled to receive, upon conversion of the Class A CCDs, the number of shares of the Company, to which a holder of Equity Shares upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Article 61.4 to 61.15 with respect to the rights of the holders of the Class A CCDs after the recapitalization to the end that the provisions of this Article 61.4 to 61.15 (including adjustment of the conversion price then in effect and the number of shares issuable upon conversion of the Class A CCDs) shall be applicable after that event as nearly equivalent as may be practicable.

61.12 Impairment. The Company will not, by amendment of its Articles or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will, at all times, in good faith assist in the carrying out of all the provisions of this Article and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the Class A CCDs against impairment.

NO FRACTIONAL SHARES AND CERTIFICATE AS TO ADJUSTMENTS.

61.13 No fractional share shall be issued upon the conversion of any Class A CCDs, and the number of Equity Shares to be issued shall be rounded to the next whole share. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of Class A CCDs the holder is holding at the time converting into Equity Shares and the number of Equity Shares issuable upon such aggregate conversion.

61.14 Upon the occurrence of each adjustment of the conversion price of the Class A CCDs pursuant to this Article 61.4 to 61.15, the Company, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each holder of the Class A CCDs, a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based. The Company shall, upon the written request at any time of any holder of Class A CCDs, furnish or cause to be furnished to such holder a like certificate setting forth: (i) such adjustment and readjustment, (ii) the conversion price for such Class A CCDs at the time in effect, and (iii) the number of Equity Shares and the amount, if any, of other property that at the time would be received upon the conversion of the Class A CCDs.

61.15 Reservation of Shares Issuable Upon Conversion. The Company shall, at all times, reserve and keep available out of its authorized but unissued Equity Shares, solely for the purpose of effecting the conversion of the Class A CCDs, such number of Equity Shares as shall, from time to time, be sufficient to effect the conversion of all outstanding Class A CCDs; and if, at any time, the number of authorized but unissued Equity Shares shall not be sufficient to effect the conversion of all then outstanding Class A CCDs (taking into account the issuance of Equity Shares pursuant to any existing convertible security), the Company will take such corporate action as may be necessary to increase its authorized but unissued Equity Shares to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite shareholder approval of any necessary amendment to the Company's Memorandum of Association.

TENURE OF CCDS

61.16 Notwithstanding the other terms of issue of the Class A CCDs, any Class A CCDs which are outstanding on the completion of a period of 18 (eighteen) years from the date of its issue shall immediately and automatically be converted into Equity Shares of the Company in accordance with the provisions of the Agreement.

61.17 In the event that, for any reason whatsoever, the above transactions are not possible, then the Parties shall endeavour in good faith to achieve the commercial intent of the above provisions and for this purpose shall take all such actions as the holder of the Class A CCD's may request.

61.18 In respect of each holder of the Class A CCDs, the provisions as to conversion set out herein shall apply pro-rata to each holder's holding of Class A CCDs.

62. *CCDs*

INTEREST

62.1 The holders of the CCDs shall not be entitled to any interest.

LIQUIDATION PREFERENCE

62.2 In the event of any winding up or insolvency or bankruptcy or other dissolution of the Company (a "Liquidation Event"), then subject to applicable Laws, the total proceeds from such Liquidation Event remaining after discharging or making provision for discharging the liabilities of the Company, shall be distributed in accordance with Article 49 (Liquidity Preference) of the Agreement.

CONVERSION

62.3 The CCDs shall be convertible in accordance with Articles 32.2, 32.3, 43.16, 45.3, 59, 60 and this Article 62 of the Agreement.

MECHANICS OF CONVERSION

62.4 In order to effect a conversion into Equity Shares, the holder of the CCDs shall give written notice to the Company (the "Conversion Notice"). The Conversion Notice should be addressed to the Company's principal corporate office and shall contain: (i) the holder's election to convert the CCDs; (ii) the number of Equity Shares the CCDs will be converted into; and (iii) the name or names in which the certificate or certificates for Equity Shares are to be issued.

62.5 The Conversion Notice may include a request (a "Conversion Request") requesting the Company to : (i) apply for any Government Approval for the issue of the Equity Shares to be issued upon conversion of the CCDs as set forth in the Conversion Notice; and/or (ii) to take any corporate and/or shareholder proceedings or action, as may be reasonably required by the holder, to allot such Equity Shares to the holder or, subject to the terms and conditions hereof to such other Persons as the holder may designate. If the Conversion Notice is accompanied by a Conversion Request, the Company will: (i) obtain, as soon as practicable, after receipt of the Conversion Request, all Governmental Approvals, if any, specified in the Conversion Request; and (ii) within 10 (ten) days of the date of the Conversion Notice, subject to the terms and conditions hereof, initiate any corporate and/or shareholder proceedings or action to allot the Equity Shares as specified in the Conversion Request. The Company will promptly advise the holder of the CCDs giving the Conversion Notice of the obtaining of such Governmental Approvals, of the taking of any such corporate and/or shareholder action and of any development relevant to such obtaining or such proceedings or action.

62.6 Any holder converting the CCDs shall surrender the certificate or certificates representing the CCDs to be converted at the principal corporate office of the Company either at the time the Conversion Notice is given to the Company or, if the Conversion Notice is accompanied by a Conversion Request, after receipt by the Company of all Governmental Approvals specified in the Conversion Request and after the taking of the corporate and/or shareholder proceedings or action specified in the Conversion Request (the date of such surrender, the "Conversion Date", provided that if the CCD certificate(s) are received by the Company on a day which is not a Business Day or after the close of business on a Business Day, the Conversion Date shall be deemed to occur on the Business Day following the date such certificate(s) are received). Failure to surrender such certificate(s) shall not affect the conversion of any holder's CCDs, provided that any holder failing to surrender its certificate(s) shall deliver to the Company a duly executed declaration of lost CCD certificate in a form reasonably acceptable to the Company and such other declarations and documents required to the submitted to the Company under applicable Law. Further, such holder shall indemnify and hold harmless the Company from any and all damages, costs or expenses incurred by the Company or any other Person as a result of the lost CCD certificate(s).

62.7 As soon as practicable after the Conversion Date, and in any event within fourteen (14) days thereafter, the Company, at its own expense, will cause to be issued in the name of, and delivered to, the holder, or, subject to the terms and conditions hereof, to such other Persons as the holder may designate, a certificate or certificates for the number of Equity Shares to which such holder shall be entitled upon such exercise. The holder shall be deemed to be the holder of record of the Equity Shares on the Conversion Date, notwithstanding that the register of members of the Company shall then be closed or that certificates representing such Equity Shares shall not then be actually delivered to the holder.

62.8 The Company shall pay any and all documentary and stamp duties payable in respect of the issue of the Equity Shares.

CONVERSION PRICE ADJUSTMENT BASED ON OTHER EVENTS

62.9 If the Company should, at any time, fix a record date for the effectuation of a split or subdivision of the outstanding Equity Shares or the determination of holders of Equity Shares entitled to receive a distribution payable in additional Equity Shares or other securities or rights convertible into, or entitling the holder thereof to receive, directly or indirectly, additional Equity Shares (hereinafter referred to as “Equity Shares Equivalents”) without payment of any consideration by such holder for the additional Equity Shares or the Equity Shares Equivalents (including the additional Equity Shares issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the conversion price of the CCDs shall be appropriately adjusted so that the number of Equity Shares issuable on conversion of each CCD shall be increased in proportion to such increase of the aggregate of Equity Shares outstanding and those issuable with respect to such Equity Shares Equivalents.

62.10 If the number of Equity Shares outstanding at any time is decreased by a combination / consolidation of the outstanding Equity Shares, then, following the record date of such combination / consolidation, the conversion price for the CCDs shall be appropriately increased so that the number of Equity Shares issuable on conversion of each CCD shall be decreased in proportion to such decrease in outstanding shares.

62.11 If at any time, or from time to time, there shall be a recapitalization or reclassification of the Equity Shares (including any such reclassification in connection with a consolidation or merger in which the Company is the continuing corporation), provision shall be made so that the holders of the CCDs shall thereafter be entitled to receive, upon conversion of the CCDs, the number of shares of the Company, to which a holder of Equity Shares upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Articles 62.4 to 62.15 with respect to the rights of the holders of the CCDs after the recapitalization to the end that the provisions of this Articles 62.4 to 62.15 (including adjustment of the conversion price then in effect and the number of shares issuable upon conversion of the CCDs) shall be applicable after that event as nearly equivalent as may be practicable.

62.12 Impairment. The Company will not, by amendment of its Articles or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will, at all times, in good faith assist in the carrying out of all the provisions of Article 62.3 and this Articles 62.4 to 62.15 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the CCDs against impairment.

NO FRACTIONAL SHARES AND CERTIFICATE AS TO ADJUSTMENTS

62.13 No fractional share shall be issued upon the conversion of any CCDs, and the number of Equity Shares to be issued shall be rounded to the next whole share. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of CCDs the holder is holding at the time converting into Equity Shares and the number of Equity Shares issuable upon such aggregate conversion.

62.14 Upon the occurrence of each adjustment of the conversion price of the CCDs pursuant to this Articles 62.4 to 62.15, the Company, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each holder of the CCDs, a certificate setting forth such adjustment and showing in detail the facts upon which such adjustment is based. The Company shall, upon the written request at any time of any holder of CCDs, furnish or cause to be furnished to such holder a like certificate setting forth: (i) such adjustment and readjustment, (ii) the conversion price for such CCDs at the time in effect, and (iii) the number of Equity Shares and the amount, if any, of other property that at the time would be received upon the conversion of a the CCDs.

62.15 Reservation of Shares Issuable Upon Conversion. The Company shall, at all times, reserve and keep available out of its authorized but unissued Equity Shares, solely for the purpose of effecting the conversion of the CCDs, such number of Equity Shares as shall, from time to time, be sufficient to effect the conversion of all outstanding CCDs; and if, at any time, the number of authorized but unissued Equity Shares shall not be sufficient to effect the conversion of all then outstanding CCDs (taking into account the issuance of Equity Shares pursuant to any existing convertible security), the Company will take such corporate action as may be necessary to increase its authorized but unissued Equity Shares to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite shareholder approval of any necessary amendment to the Company’s Memorandum of Association.

TENURE OF CCDS

62.16 Notwithstanding the other terms of issue of the CCDs, any CCDs which are outstanding on the completion of a period of 18 (eighteen) years from the date of its issue shall immediately and automatically be converted into Equity Shares of the Company in accordance with the provisions of the Agreement.

62.17 In the event that, for any reason whatsoever, the above transactions are not possible, then the Parties shall endeavour in good faith to achieve the commercial intent of the above provisions and for this purpose shall take all such actions as the Investor may request.

62.18 In respect of each holder of the CCDs, the provisions as to conversion set out herein shall apply pro-rata to each holder’s holding of CCDs.

CHAPTER II-A

63. *OVERRIDING EFFECT OF CHAPTER II-A*

63.1 Subject to Articles 63.4 and 63.5, and notwithstanding anything to the contrary contained in 'Table F' of the Companies Act, 2013, Chapter I of these Articles and Chapter II of these Articles, the provisions of Articles 63 to 65 (hereinafter referred to as "Chapter II-A") shall have effect to the limited extent of amending Articles 45 and 48 of Chapter II in light of the "Second Amendment Agreement To The Investment Agreement" entered into by the Company, Promoters, and Investors on September 26, 2016

63.2 Capitalized terms not defined herein shall have the meaning ascribed to them in Chapter I and/or Chapter II of these Articles respectively.

63.3 Subject to Articles 63.4 and 63.5 below, in the event of any conflict between the provisions of this Chapter II-A and the other provisions of these Articles, the provisions of this Chapter II-A shall prevail.

63.4 Notwithstanding the foregoing and anything contrary contained herein, upon termination of the Agreement on the Listing Date, the provisions of Article 63 to Article 65 shall cease to have effect.

63.5 In the event the Listing Date does not occur by the earlier of September 30, 2017 (which may be extended by mutual agreement of the Investors and the Company) or the date on which the Board decides not to undertake the listing, the provisions of this Chapter II-A shall cease to have effect and the relevant provisions of Chapter II shall continue to be in force

64. *AMENDED PROVISIONS PERTAINING TO QIPO*

64.1 Article 45.3 of these Articles shall be replaced in its entirety and accordingly read as follows:

(i) "Subject to the Investors approving and granting their consent for the filing of the red herring prospectus in connection with the QIPO, the CCDs issued by the Company to each Investor shall, immediately prior to the filing of the red herring prospectus in the QIPO, convert into 11 (eleven) Equity Shares which are to be issued to each of the Investors. Further, the Company may disclose the number of Equity Shares that the CCDs will convert into, and the timing for such conversion in the draft red herring prospectus in connection with the QIPO."

(ii) It is hereby clarified that if the conversion of the CCDs into Equity Shares has already taken place, then the original Article 45.3 of the Agreement will be applicable with respect to such Equity Shares.

65. *AMENDED PROVISIONS PERTAINING TO PROMOTE*

65.1 Article 48.3 of these Articles shall be replaced in its entirety and accordingly read as follows:

The amounts to be paid to the Promoters as mentioned above (the "Promote") shall be paid by way of transfer of 3,710,570 Equity Shares (the "Promote Shares") by the Investors to the Promoters, comprising of 1,818,549 Equity Shares to be transferred by Theano to Ravindra Kishore Sinha, 1,818,549 Equity Shares to be transferred by Theano to Rituraj Kishore Sinha, 36,736 Equity Shares to be transferred by AAJV to Ravindra Kishore Sinha and 36,736 Equity Shares to be transferred by AAJV to Rituraj Kishore Sinha, in accordance with the following process

(i) No later than 7 Business Days prior to the opening of the bidding period for a QIPO, the Company shall notify to the Investors in writing, the tentative price band for the QIPO ("Tentative Price Band") proposed to be adopted by the Company in consultation with the book running lead managers (the "Price Band Notice"), pursuant to the decision of the IPO Committee of the Board;

(ii) Within 1 Business Day of receiving the Price Band Notice, the Investors shall notify to the Company of either (a) their acceptance of the Tentative Price Band, in which event the Tentative Price Band shall be adopted by the Company as the price band within which bids shall be invited in the QIPO ("Final Price Band"), or (b) their rejection of the Tentative Price Band, in which event the QIPO shall not be proceeded with further, and the Parties shall procure that the Company forthwith decides not to undertake the QIPO;

(iii) In the event that the Investors notify the Company of their acceptance of the Tentative Price Band, the Company shall proceed with the QIPO, inviting bids that are not less than and not greater than the Final Price Band; and

(iv) Upon the Board becoming aware of such number of bids having been received in the QIPO so as to ensure the successful completion of the QIPO within the Final Price Band, the Company shall cause the Board to notify the same to the Investors and the Investors shall within 1 Business Day of receiving such notification transfer the Promote Shares to the Promoters.

Subject to the applicability of this Chapter II-A, the provisions of Articles 48.4, 48.5 and 48.6 shall be deleted in their entirety.

SECTION IX – OTHER INFORMATION
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Prospectus), which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which were attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies for registration and will be attached to the copy of this Prospectus, to be delivered to the Registrar of Companies for registration. Further, the documents for inspection referred to hereunder, were made available for inspection at our Registered Office and our Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date other than the documents executed after the Bid/ Offer Closing Date.

Material Contracts to the Offer

1. Offer Agreement among our Company, the Selling Shareholders and the GCBRLMs and the BRLMs dated September 26, 2016.

2. Registrar Agreement among our Company, the Selling Shareholders and Registrar to the Offer dated September 26, 2016.

3. Escrow Agreement dated July 17, 2017 among our Company, the Selling Shareholders, the GCBRLMs, the BRLMs, the Escrow Collection Banks and the Registrar to the Offer.

4. Syndicate Agreement dated July 17, 2017 among our Company, the Selling Shareholders, the GCBRLMs, the BRLMs, the Syndicate Members and the Registrar to the Offer.

5. Underwriting Agreement dated August 4, 2017 among our Company, the Selling Shareholders and the Underwriters.

6. Agreement dated April 16, 2008, among NSDL, our Company and the Registrar to the Offer.

7. Agreement dated September 19, 2016, among CDSL, our Company and the Registrar to the Offer.

8. Share Escrow Agreement dated January 24, 2017 between the Company, the Selling Shareholders and the share escrow agent, and as amended by the amendment agreement dated dated July 17, 2017.

9. Monitoring Agency Agreement dated July 18, 2017 between our Company and the Monitoring Agency.

Material Documents

1. Our Memorandum and Articles of Association, as amended from time to time.

2. Our certificate of incorporation dated January 2, 1985 and certificate of incorporation dated July 29, 1993 consequent to conversion of our Company to a public limited company.

3. Resolution of the Board of Directors dated July 27, 2016, authorising the Offer.

4. Resolution of the shareholders dated August 22, 2016, under section 62(1)(c) of the Companies Act, 2013 authorising the Offer.

5. Resolutions of the Board dated September 26, 2016, taking on record the Offer for Sale and dated July 19, 2017 approving the Red Herring Prospectus.

6. Consent letters of the Selling Shareholders for participation in the Offer for Sale.

7. Investment agreement dated April 3, 2013 between our Company, Ravindra Kishore Sinha, Rituraj Kishore Sinha, Rivoli Sinha Aggarwal, Vocational Skills Council (India) Private Limited, Theano and AAJV.

8. First amendment agreement dated May 19, 2015 to the Investment agreement dated April 3, 2013.

9. Second Amendment Agreement dated September 26, 2016 to the Investment agreement dated April 3, 2013.

10. Letter Amendment dated July 10, 2017 between the parties to the Second Amendment Agreement.

11. License agreement dated March 7, 2008 between the Company and The ServiceMaster Company.

12. Joint venture agreement dated August 11, 2011 between the Company and SVM Services (Singapore) Pte. Ltd.

13. Joint venture agreement dated May 25, 2011 between the Company and Prosegur Compania de Seguridad S.A.

14. Share purchase agreements dated August 6, 2016 between the Company and various shareholders of Dusters Total Solutions Private Limited.

15. Shareholder agreement dated August 6, 2016 between the Company, Dusters Total Solutions Private Limited, Shamsher Puri and Jasmer Puri.

16. Share sale agreement tranche – 1 dated June 8, 2017 between SIS Australia Group, Bourke, SX Protective, Andwills, SXP, the Minority Sellers and certain other parties.

17. Amended and restated shareholders agreement dated June 9, 2017 between SIS Australia Group, SXP, SX Protective, the Minority Sellers, Pat Bourke, Bourke and certain other parties.

18. Deed of put and call option dated June 9, 2017 between SIS Australia Group, Bourke, SX Protective, Andwills, SXP, the Minority Sellers and certain other parties.

19. Copies of audit reports of our Company for Fiscal Years 2013, 2014, 2015, 2016 and 2017.

20. Copies of annual reports of our Company for Fiscal Years 2013, 2014, 2015 and 2016.

21. Examination reports of the Auditors, M/s A. Mitra & Associates, Chartered Accountants, dated May 31, 2017 on the Restated Standalone Financial Statements included in this Prospectus.

22. Examination reports of the Auditors, M/s A. Mitra & Associates, Chartered Accountants, dated May 31, 2017 on the Restated Consolidated Financial Statements included in this Prospectus.

23. Report of M/s A. Mitra & Associates, Chartered Accountants, dated July 8, 2017 on the Proforma Financial Statements included in this Prospectus.

24. Report of M/s A. Mitra & Associates, Chartered Accountants, dated July 8, 2017 on the financial information on Dusters included in this Prospectus.

25. Statement of special tax benefits from M/s A. Mitra & Associates, Chartered Accountants dated July 8, 2017.

26. Industry report titled *"Assessment of Security Services and Facility Management Markets in India"* dated September 16, 2016 and the update titled "*2017 Update of Security Services and FM Market*" dated July 6, 2017, prepared by Frost & Sullivan.

27. Industry report titled *"Australian Security Services"* dated September 6, 2016 and the update titled "*Australian Security Services – Updated Guidance*" dated July 6, 2017, prepared by Freedonia.

28. Written consent of the Auditors, M/s A. Mitra & Associates, Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their (a) reports, both dated May 31, 2017 on the Restated Standalone Financial Statements and the Restated Consolidated Financial Statements, (b) report dated July 8, 2017 on the statement of possible tax benefits available for the Company and its shareholders, (c) report dated July 8, 2017 on the Proforma Financial Statements; and (d) report dated July 8, 2017 on examination of financial information of Dusters.

29. Consents of the Bankers to our Company, GCBRLMs, the BRLMs, Syndicate Members, Registrar to the Offer, Escrow Collection Bank(s), Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officers, Statutory Auditors, Frost & Sullivan, Freedonia, legal counsels, refund bank as referred to, in their respective capacities.

30. In-principle listing approvals dated November 3, 2016 and October 14, 2016, received from the NSE and the BSE, respectively.

31. Due diligence certificate dated September 26, 2016 to SEBI from the GCBRLMs and the BRLMs.

32. SEBI observation letter CFD/DIL-III/AEA/OW/2017/1075 dated January 12, 2017.

33. Deed of guarantee dated March 13, 2015 issued by Ravindra Kishore Sinha and Rita Kishore Sinha in favour of State Bank of India.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time, if so required in the interest of our Company, or if required by other parties, without notification to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the rules/guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

Ravindra Kishore Sinha
(Chairman) ______________________________

Rituraj Kishore Sinha
(Managing Director) ______________________________

Uday Singh
(CEO and Whole-time Director) ______________________________

Arvind Kumar Prasad
(Whole-time Director and CFO) ______________________________

Rita Kishore Sinha
(Director) ______________________________

Jayanta Kumar Basu
(Nominee Director) ______________________________

Arun Kumar Batra
(*Independent Director*) ______________________________

Ashok Kumar Mattoo
(*Independent Director*) ______________________________

Amrendra Prasad Verma
(*Independent Director*) ______________________________

Dr. Ajoy Kumar
(*Independent Director*) ______________________________

Devdas Apte
(*Independent Director*) ______________________________

Tirumalai Cunnavakaum Anandanpillai Ranganathan
(*Independent Director*) ______________________________

SIGNED BY CHIEF FINANCIAL OFFICERS

______________________________	______________________________
Arvind Kumar Prasad	**Devesh Desai**
Chief Financial Officer	*Chief Financial Officer (International Business*)

Place: New Delhi
Date: August 4, 2017

DECLARATION BY THEANO PRIVATE LIMITED, AS A SELLING SHAREHOLDER

Theano Private Limited confirms that all statements and undertakings made or confirmed by it in this Prospectus specifically in relation to itself, as a Selling Shareholder, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct. Theano Private Limited assumes no responsibility for any other statements or undertakings including statements or undertakings made or confirmed by the Company or any other person(s) in this Prospectus.

SIGNED FOR AND ON BEHALF OF THEANO PRIVATE LIMITED

Name: Jay Prakash Pertab
Designation: Director

Date: August 4, 2017

DECLARATION BY AAJV INVESTMENT TRUST, AS A SELLING SHAREHOLDER, ACTING THROUGH ITS TRUSTEE

AAJV Investment Trust, acting through Ms. Aparajita Jethy Ahuja, its trustee, confirms that all statements and undertakings made or confirmed on its behalf in this Prospectus specifically in relation to the AAJV Investment Trust, as a Selling Shareholder and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct. Neither AAJV Investment Trust nor any of its trustees assume any responsibility for any other statements or undertakings, including statements or undertakings made or confirmed by the Company or any other person(s) in this Prospectus.

SIGNED FOR AND ON BEHALF OF AAJV INVESTMENT TRUST

Name: Aparajita Jethy Ahuja
Designation: Trustee

Date: August 4, 2017

DECLARATION BY RAVINDRA KISHORE SINHA, AS A SELLING SHAREHOLDER

I confirm that all statements and undertakings made or confirmed by me in this Prospectus specifically in relation to myself, as a Selling Shareholder and the Equity Shares which are being offered by me by way of the Offer for Sale pursuant to the Offer, are true and correct. I assume no responsibility as a Selling Shareholder for any other statements including statements made by the Company or any other person(s) in this Prospectus.

____
Ravindra Kishore Sinha

Date: August 4, 2017

DECLARATION BY RITURAJ KISHORE SINHA, AS A SELLING SHAREHOLDER

I confirm that all statements and undertakings made or confirmed by me in this Prospectus specifically in relation to myself, as a Selling Shareholder and the Equity Shares which are being offered by me by way of the Offer for Sale pursuant to the Offer, are true and correct. I assume no responsibility as a Selling Shareholder for any other statements including statements made by the Company or any other person(s) in this Prospectus.

____
Rituraj Kishore Sinha

Date: August 4, 2017

DECLARATION BY THE OTHER SELLING SHAREHOLDERS

Each Other Selling Shareholder certifies that all statements and undertakings made by the respective Other Selling Shareholder in this Prospectus, specifically in relation to itself or in connection with the Equity Shares offered by the respective Other Selling Shareholder in the Offer for Sale, are true and correct. Each Other Selling Shareholder assumes no responsibility for any other statements, including the statements made by the Company, any other Selling Shareholder, or any other person, in this Prospectus.

SIGNED BY THE OTHER SELLING SHAREHOLDERS, ACTING THROUGH PUSHPA LATHA KATKURI, POWER OF ATTORNEY HOLDER

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Pushpa Latha Katkuri
(as attorney holder)

Date: August 4, 2017