



Where Stories Come Alive

ADLABS Entertainment Limited

RED HERRING PROSPECTUS
Dated: February 19, 2015
Please read Section 32 of the Companies Act, 2013
Book Built Issue

Our Company was initially formed and registered as a partnership firm under the provisions of Indian Partnership Act, 1932 through a partnership deed dated May 18, 2009 in the name and style of M/s Dream Park, with our Promoters, among others, as partners. Our Company was incorporated as Adlabs Entertainment Private Limited on February 10, 2010 at Mumbai as a private limited company under the Companies Act, 1956, upon conversion of M/s. Dream Park into a company. Our Company was converted into a public limited company on April 27, 2010 and the name of our Company was changed to Adlabs Entertainment Limited. For details of change in the name and registered office of our Company, see the section "History and Certain Corporate Matters" on page 137.

Registered Office: 30/31, Sangdwadi, Khopoli Pali Road, Taluka-Khalapur, District Raigad 410 203, Maharashtra, India
Contact Person: Ghanshyam Singh Jhala, Company Secretary and Compliance Officer; **Tel:** +91 22 4068 0000; **Fax:** +91 22 4068 0088
E-mail: compliance@adlabsentertainment.com; **Website:** www.adlabsimAGICA.com
Corporate Identification Number: U92490MH2010PLC199925

OUR PROMOTERS: MANMOHAN SHETTY AND THRILL PARK LIMITED

PUBLIC ISSUE OF 20,326,227 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF ADLABS ENTERTAINMENT LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING TO ₹ [●] MILLION ("ISSUE") COMPRISING A FRESH ISSUE OF 18,326,227 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF 2,000,000 EQUITY SHARES BY THRILL PARK LIMITED (THE "SELLING SHAREHOLDER") AGGREGATING TO ₹ [●] MILLION ("OFFER FOR SALE"). THE ISSUE WILL CONSTITUTE 25.44% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL. OUR COMPANY ALONG WITH THE SELLING SHAREHOLDER MAY, IN CONSULTATION WITH THE GLOBAL CO-ORDINATORS AND LEAD MANAGERS ("GCLMs"), OFFER A DISCOUNT OF UP TO [●] % (EQUIVALENT TO ₹ [●]) ON THE ISSUE PRICE TO RETAIL INDIVIDUAL BIDDERS ("RETAIL DISCOUNT"). THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND, THE RETAIL DISCOUNT AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE GCLMs AND WILL BE ADVERTISED AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.

In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release, and also by indicating the change on the website of the GCLMs and at the terminals of the other members of the Syndicate.

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), this is an Issue for at least 25% of the post-Issue capital. The Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be Allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs"), provided that our Company and the Selling Shareholder may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, then the entire application money shall be refunded forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations"), subject to valid Bids being received at or above the Issue Price. All potential investors, other than Anchor Investors, may participate in this Issue through an Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank accounts which will be blocked by the Self Certified Syndicate Banks ("SCSBs"). QIBs (except Anchor Investors) and Non-Institutional Bidders are mandatorily required to utilise the ASBA process to participate in this Issue. Kindly note that Allotment shall be undertaken, amongst other conditions mentioned in this Red Herring Prospectus, upon receipt of valid Bids equivalent to at least 25% of the Issue (including Bids received under the Anchor Investor Portion) from Mutual Funds and/or insurance companies registered with Insurance Regulatory and Development Authority ("IRDA"). For details, see the section "Issue Procedure" on page 309.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the GCLMs as stated under the section "Basis for Issue Price" on page 92) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue 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 Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" on page 17.

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. We have received an 'in-principle' approval from each of BSE and NSE for the listing of the Equity Shares pursuant to letters dated June 19, 2014 and June 25, 2014, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be BSE. A copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the Registrar of Companies, Mumbai ("RoC") in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Issue Closing Date, see the section "Material Contracts and Documents for Inspection" on page 414.

GLOBAL CO-ORDINATORS AND LEAD MANAGERS

REGISTRAR TO THE ISSUE

| | | | |
|---|--|--|--|
| | | | |
| Deutsche Equities India Private Limited 14th Floor, The Capital, Bandra Kurla Complex Mumbai 400 051, Maharashtra, India Tel: +91 22 7180 4444 Fax: +91 22 7180 4199 E-mail: ael.ipo@db.com Investor grievance e-mail: db.redressal@db.com Website: www.db.com/India Contact Person: Vivek Pabari SEBI Registration No.: INM000010833 | Centrum Capital Limited⁽¹⁾ Centrum House, Vidyanagari Marg CST Road, Kalina, Santacruz (East) Mumbai 400 098, Maharashtra, India Tel: +91 22 4215 9000 Fax: +91 22 4215 9707 E-mail: adlabs.ipo@centrum.co.in Investor grievance e-mail: igmbd@centrum.co.in Website: www.centrum.co.in Contact Person: Gaurav Sarangi / Amandeep Sidhu SEBI Registration No: INM000010445 | Kotak Mahindra Capital Company Limited 1 st Floor, 27 BKC, Plot No. 27, G Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India Tel: +91 22 4336 0000 Fax: +91 22 6713 2447 E-mail: ael.ipo@kotak.com Investor grievance e-mail: kmccredressal@kotak.com Website: http://investmentbank.kotak.com Contact Person: Ganesh Rane SEBI Registration No.: INM000008704 | Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West) Mumbai 400 078, Maharashtra, India Tel: +91 22 6171 5400 Fax: +91 22 2596 0329 E-mail: ael.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Sachin Achar SEBI Registration No.: INR000004058 |

BID/ISSUE PROGRAMME

| | |
|-----------------------------|-------------------------------|
| BID/ISSUE OPENS ON | March 10, 2015 ⁽²⁾ |
| BID/ISSUE CLOSING ON | March 12, 2015 |

(1) Centrum Capital Limited, which is an associate of our Company, shall only be involved in the marketing of the Issue.

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

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

General Terms

| Term | Description |
|--|---|
| “our Company”, “the Company”, “the Issuer” or “Adlabs” | Adlabs Entertainment Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at 30/31, Sangdewadi, Khopoli Pali Road, Taluka-Khalapur, District Raigad 410 203, Maharashtra, India |
| “We”, “us” or “our” | Unless the content otherwise indicates or implies, refers to our Company together with its Subsidiary |

Company Related Terms

| Term | Description |
|------------------------------------|--|
| Articles / Articles of Association | Articles of Association of our Company, as amended |
| Auditors / Statutory Auditors | Statutory auditors of our Company, namely, A.T. Jain & Co., Chartered Accountants |
| Board / Board of Directors | Board of directors of our Company or a duly constituted committee thereof |
| Consortium Loan | Long-term loan facilities (both fund based and non-fund based) from the Consortium Lenders (as defined hereinafter) in terms of the Common Loan Agreement, as amended |
| Consortium Lenders | Consortium of lenders to our Company comprising of Bank of Baroda, Bank of India, Central Bank of India, Corporation Bank, Dena Bank, Indian Overseas Bank, Jammu & Kashmir Bank, Life Insurance Corporation of India, Punjab & Sind Bank, Syndicate Bank, Tourism Finance Corporation of India, Union Bank of India and Vijaya Bank |
| Common Loan Agreement | Common loan agreement dated March 20, 2012 entered into by our Company with the Consortium Lenders |
| Corporate Office | Corporate office of our Company located at 9 th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai 400 053, Maharashtra, India. We are currently using the premises at 3 rd Floor, Nimbus Centre, SAB TV Road, Andheri (West), Mumbai 400 053, Maharashtra, India on a temporary basis. |
| Director(s) | Director(s) of our Company |
| Equity Shares | Equity shares of our Company of face value of ₹10 each fully paid-up |
| Group Companies | Companies, firms, ventures promoted by our Promoter, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act, 1956 or not For details, see the section “Our Group Companies” on page 164 |

| Term | Description |
|-----------------------------|---|
| India Advantage Fund | IDBI Trusteeship Services Limited, in its capacity as trustee of India Advantage Fund-S3 I, acting through its investment manager ICICI Venture Funds Management Company Limited |
| IAF CCDs | 1,439,999 fully paid up compulsorily convertible debentures of ₹ 1,000 each, which were issued by our Company to India Advantage Fund and have been converted to 10,434,775 Equity Shares on January 30, 2015. |
| IAF Investment Agreement | Investment agreement dated August 30, 2013 among our Company, Thrill Park, Manmohan Shetty, Aarti Shetty and India Advantage Fund |
| Key Management Personnel | Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and disclosed in the section “Our Management” on pages 154 to 156 |
| Listing Agreement | Listing agreement to be entered into by our Company with the Stock Exchanges |
| Memorandum of Association | Memorandum of Association of our Company |
| Promoters | Promoters of our Company namely, Thrill Park and Manmohan Shetty For details, see the section “Our Promoters and Promoter Group” on page 158 |
| Promoter Group | Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations and disclosed in the section “Our Promoters and Promoter Group” on pages 162 and 163 |
| Registered Office | Registered office of our Company located at 30/31, Sangdewadi, Pen-Pali Road, Taluka-Khalapur, District Raigad 410 203, Maharashtra, India |
| Registrar of Companies /RoC | Registrar of Companies, Mumbai, located at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India |
| Shareholders | Shareholders of our Company |
| Subsidiary | Walkwater Properties Private Limited |
| Thrill Park | Thrill Park Limited |

Issue Related Terms

| Term | Description |
|----------------------------|--|
| Allot/ Allotment/ Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholder pursuant to the Offer for Sale to the successful Bidders. Please note that in addition to the conditions stated in this Red Herring Prospectus, Allotment is also subject to receipt of valid Bids equivalent to at least 25% of the Issue (including Bids received under the Anchor Investor Portion) from Mutual Funds and/or insurance companies registered with IRDA. |
| Allottee | A successful Bidder to whom the Equity Shares are Allotted |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been |

| Term | Description |
|---|---|
| | approved by the Designated Stock Exchange |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion with a minimum Bid of ₹ 100 million |
| Anchor Investor Bid/Issue Period | The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed |
| Anchor Investor Issue Price | <p>Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price</p> <p>The Anchor Investor Issue Price will be decided by our Company in consultation with the GCLMs.</p> |
| Anchor Investor Portion | <p>Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholder in consultation with the GCLMs to Anchor Investors on a discretionary basis</p> <p>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 Anchor Investors.</p> |
| Application Supported by Blocked Amount / ASBA | <p>An application, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid authorising a SCSB to block the Bid Amount in the ASBA Account maintained with the SCSB</p> <p>ASBA is mandatory for QIBs (except Anchor Investors) and the Non Institutional Bidders participating in the Issue.</p> |
| ASBA Account | An account maintained with the SCSB and specified in the Bid cum Application Form submitted by an ASBA Bidder for blocking the Bid Amount mentioned in the Bid cum Application Form |
| ASBA Bid | A Bid made by an ASBA Bidder |
| ASBA Bidder | Prospective investors (other than Anchor Investors) in the Issue who intend to submit Bid through the ASBA process |
| Banker(s) to the Issue /Escrow Collection Bank(s) | Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being HDFC Bank Limited, ICICI Bank Limited, Yes Bank Limited and Kotak Mahindra Bank Limited |
| Basis of Allotment | Basis on which Equity Shares will be Allotted to successful Bidders under the Issue and which is described in the section “Issue Procedure” on pages 346 and 348 |
| Bid | An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations |
| Bid Amount | The highest value of the optional Bids indicated in the Bid cum Application Form |

| Term | Description |
|---------------------------------------|---|
| | For Retail Individual Bidders, the Bid shall be net of Retail Discount. |
| Bid cum Application Form | The form used by a Bidder, including an ASBA Bidder, to make a Bid and which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus |
| Bid/Issue Closing Date | Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti, each with wide circulation |
| Bid/Issue Opening Date | Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti, each with wide circulation |
| Bid/Issue Period | Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof |
| Bid Lot | [●] |
| Bidder | Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form |
| Book Building Process | Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made |
| Broker Centres | Broker centres notified by the Stock Exchanges where Bidders can submit their Bid cum Application Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the respective Stock Exchanges. |
| CAN / Confirmation of Allocation Note | Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid / Issue Period |
| Cap Price | The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted |
| Centrum | Centrum Capital Limited |
| Cut-off Price | Issue Price, finalised by our Company in consultation with the GCLMs Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price. |
| Designated Branches | Such branches of the SCSBs which shall collect the Bid cum Application Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time |

| Term | Description |
|---|--|
| Designated Date | The date on which the Escrow Collection Banks transfer funds from the Escrow Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account in terms of the Red Herring Prospectus |
| Designated Stock Exchange | BSE Limited |
| Deutsche | Deutsche Equities India Private Limited |
| Draft Red Herring Prospectus or DRHP | The Draft Red Herring Prospectus dated May 20, 2014, 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 or transferred and the size of the Issue |
| Equity Shares | Equity shares of the Company of a face value of ₹ 10 each |
| Eligible NRI(s) | NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares |
| Eligible QFIs | QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants |
| Escrow Account | Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid |
| Escrow Agreement | Agreement dated February 5, 2015 entered into among our Company, the Selling Shareholder, the GCLMs, the Syndicate Members, the Escrow Collection Bank(s), the Refund Bank(s) and the Registrar to the Issue for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders (excluding the ASBA Bidders), on the terms and conditions thereof |
| First Bidder | Bidder whose name appears first in the Bid cum Application Form |
| Floor Price | The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted |
| Fresh Issue | The fresh issue of 18,326,227 Equity Shares aggregating to ₹ [●] million by our Company |
| GCLMs or Global Co-ordinators and Lead Managers | The global co-ordinators and lead managers to the Issue namely, Deutsche Equities India Private Limited, Centrum Capital Limited and Kotak Mahindra Capital Company Limited |
| Issue | The public issue of 20,326,227 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each, aggregating to ₹ [●] million comprising the Fresh Issue and the Offer for Sale |
| Issue Agreement | The agreement dated May 20, 2014 between our Company, the Selling Shareholder and the GCLMs, pursuant to which certain arrangements are agreed to in relation to the Issue |

| Term | Description |
|---------------------------|--|
| Issue Price | <p>The final price at which Equity Shares will be Allotted in terms of this Red Herring Prospectus</p> <p>The Issue Price will be decided by our Company in consultation with the GCLMs on the Pricing Date. Provided that, for the purposes of Anchor Investors this price shall be the Anchor Investor Issue Price.</p> |
| Issue Proceeds | The proceeds of the Issue that is available to our Company and the Selling Shareholder |
| Kotak | Kotak Mahindra Capital Company Limited |
| Mutual Fund Portion | 5% of the QIB Portion (excluding the Anchor Investor Portion) consisting of 304,894 Equity Shares which shall be available for allocation to Mutual Funds only |
| Mutual Funds | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| Net Proceeds | <p>Proceeds of the Fresh Issue less our Company's share of the Issue expenses</p> <p>For further information about use of the Issue Proceeds and the Issue expenses, see the section "Objects of the Issue" on page 85</p> |
| Non-Institutional Bidders | All Bidders, including Category III FPIs, that are not QIBs or Retail Individual Bidders and who have Bid for the Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Portion | The portion of the Issue being not more than 15% of the Issue consisting of 3,048,934 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price |
| Non-Resident | A person resident outside India, as defined under FEMA and includes a Non Resident Indian, FIIs, FPIs and QFIs |
| Offer for Sale | The offer for sale of up to 2,000,000 Equity Shares by Thrill Park for cash as a price of ₹ [●] per Equity Share aggregating to ₹ [●] million in terms of this Red Herring Prospectus |
| Pre-IPO Placement | <p>The pre-Issue placement made by our Company post the filing of the DRHP, wherein on October 10, 2014, the Company allotted (i) 95 Equity Shares and 474,978 compulsorily convertible debentures of face value ₹ 1,000 each to NYLIM Jacob Ballas India Holdings IV; and (ii) 5 Equity Shares and 24,999 compulsorily convertible debentures of face value ₹ 1,000 each to Jacob Ballas Capital India Private Limited for an aggregate amount of ₹ 500.00 million. This investment was made pursuant to the investment agreement dated October 8, 2014 entered into among the Company, Promoters, NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited.</p> <p>On January 30, 2015, 474,978 compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV were converted into 2,539,989 Equity Shares and 24,999 compulsorily convertible debentures issued to Jacob Ballas Capital India Private Limited were converted into 133,684 Equity Shares.</p> <p>For details, see the sections "The Issue", "Capital Structure", and "History</p> |

| Term | Description |
|--|--|
| | and Certain Corporate Matters” on pages 58, 72 and 137, respectively. |
| Price Band | <p>Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof</p> <p>The Price Band, the Retail Discount and the minimum Bid Lot size for the Issue will be decided by our Company and the Selling Shareholder in consultation with the GCLMs and will be advertised, at least five Working Days prior to the Bid/Issue Opening Date, in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti, each with wide circulation</p> |
| Pricing Date | The date on which our Company, in consultation with the GCLMs, will finalise the Issue Price |
| Prospectus | The Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013, containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information |
| Public Issue Account | Account opened with the Bankers to the Issue to receive monies from the Escrow Account(s) on the Designated Date and to which the funds shall be transferred by the SCSBs from the ASBA Accounts |
| QIB Category / QIB Portion | The portion of the Issue (including the Anchor Investor Portion) being not less than 75% of the Issue comprising 15,244,671 Equity Shares which shall be Allotted to QIBs including Anchor Investors |
| Qualified Foreign Investors or QFIs | A person who has opened dematerialised account with a qualified depository participant as a qualified foreign investor |
| Qualified Institutional Buyers or QIBs | Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations |
| Red Herring Prospectus or RHP | <p>This Red Herring Prospectus dated February 19, 2015 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue</p> <p>This Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date.</p> |
| Refund Account(s) | The account opened with the Refund Bank(s) from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to ASBA Bidders) shall be made |
| Refund Bank | ICICI Bank Limited |
| Refunds through electronic transfer of funds | Refunds through NECS, Direct Credit, RTGS or NEFT, as applicable |
| Registered Brokers | Stock brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate |
| Registrar Agreement | The agreement dated April 30, 2014 between our Company, the Selling Shareholder and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue |

| Term | Description |
|--|--|
| Registrar to the Issue or Registrar | Link Intime India Private Limited |
| Retail Discount | Discount of [●]% (equivalent of ₹ [●]) to the Issue Price given to Retail Individual Bidders The Price Band, the Retail Discount and the minimum Bid Lot size for the Issue will be decided by our Company and the Selling Shareholder in consultation with the GCLMs and will be advertised, at least five Working Days prior to the Bid/Issue Opening Date, in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti, each with wide circulation |
| Retail Individual Bidder(s) | Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs) |
| Retail Portion | The portion of the Issue being not more than 10% of the Issue comprising 2,032,622 Equity Shares which shall be available for allocation to Retail Individual Bidder(s) in accordance with the SEBI ICDR Regulations |
| Revision Form | Form used by the Bidders, including ASBA Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous revision form(s) QIB Bidders and Non-Institutional Bidders are not allowed to lower their Bid once submitted. |
| 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/home/list/5/33/0/0/Recognised-Intermediaries |
| Selling Shareholder | Thrill Park Limited |
| Selling Shareholder's Share Escrow Agreement | The agreement dated February 5, 2015 entered into between our Company, the Selling Shareholder, the GCLMs and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholder and credit of such Equity Shares to the demat accounts of the Allottees |
| Share Escrow Agent | Escrow agent appointed pursuant to the Selling Shareholder's Share Escrow Agreement, in this case being, Link Intime India Private Limited |
| Specified Locations | Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available at the website of the SEBI (www.sebi.gov.in) and updated from time to time |
| Syndicate Agreement | The agreement dated February 5, 2015 entered into between the GCLMs, the Syndicate Members, our Company, the Selling Shareholder and the Registrar to the Issue in relation to the collection of Bids in the Issue (other than Bids directly submitted to the SCSBs under the ASBA process and Bids submitted to Registered Brokers at Broker Centres) |
| Syndicate Members | Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, being Centrum Broking Limited, Kotak Securities Limited and Prabhudas Lilladher Private Limited |

| Term | Description |
|---------------------------------------|---|
| Syndicate or Members of the Syndicate | The GCLMs and the Syndicate Members |
| TRS or Transaction Registration Slip | The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid |
| Underwriters | The GCLMs and the Syndicate Members |
| Underwriting Agreement | The agreement among the Underwriters, our Company and the Selling Shareholder to be entered into on or after the Pricing Date |
| Working Day | Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Days” shall mean all days excluding Sundays and bank holidays in Delhi or Mumbai in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010 |

Technical/Industry Related Terms /Abbreviations

| Term | Description |
|--------------|--|
| F&B | Food and Beverage |
| IMaCS Report | “Indian Amusement Parks Industry Report” issued by ICRA Management Consulting Services Limited in January 2015 |
| Parks | Amusement parks, including theme parks and water parks |
| VFX | Visual effects |

Conventional and General Terms or Abbreviations

| Term | Description |
|---|---|
| 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 / Accounting Standards | Accounting Standards issued by the Institute of Chartered Accountants of India |
| Bn / bn | Billion |
| BSE | BSE Limited |
| CAGR | Compounded annual growth rate |
| Category I foreign portfolio investors | FPIs who are registered with SEBI as “Category I foreign portfolio investors” under the SEBI FPI Regulations |
| Category II foreign portfolio investors | FPIs who are registered with SEBI as “Category II foreign portfolio investors” under the SEBI FPI Regulations |

| Term | Description |
|--|--|
| Category III foreign portfolio investors | FPIs who are registered with SEBI as “Category III foreign portfolio investors” under the SEBI FPI Regulations |
| CDSL | Central Depository Services (India) Limited |
| CENVAT | Central Value Added Tax |
| CESTAT | Customs, Excise and Service Tax Appellate Tribunal |
| CIN | Corporate identity number |
| CIT | Commissioner of Income Tax |
| Companies Act | Companies Act, 1956 and/or the Companies Act, 2013, as applicable |
| Client ID | Client identification number of the Bidders beneficiary account |
| Companies Act, 1956 | Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections) |
| Companies Act, 2013 | Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections |
| Depositories | NSDL and CDSL |
| Depositories Act | The Depositories Act, 1996 |
| DIN | Director identification number |
| DP ID | Depository participant’s identification |
| DP / Depository Participant | A depository participant as defined under the Depositories Act |
| EGM | Extraordinary general meeting |
| EPS | Earnings per share |
| Equity Listing Agreement | Listing Agreement to be entered into with the Stock Exchanges on which the Equity Shares of our Company are to be listed |
| ESI Act | Employee State Insurance under the Employees State Insurance Act, 1948 |
| FCNR | Foreign currency non-resident |
| FDI | Foreign direct investment |
| FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder |
| FEMA Regulations | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and amendments thereto |
| FII(s) | Foreign Institutional Investors as defined under the SEBI FPI Regulations |
| Financial Year / Fiscal / FY | The period of 12 months ending March 31 of that particular year |
| FIPB | Foreign Investment Promotion Board |
| FPI(s) | A foreign portfolio investor who has been registered through the SEBI FPI |

| Term | Description |
|-------------------|---|
| | Regulations provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI FPI Regulations |
| FVCI | Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations |
| GDP | Gross domestic product |
| GIR | General index register |
| GoI or Government | Government of India |
| HUF | Hindu undivided family |
| ICAI | The Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards |
| Income Tax Act | The Income Tax Act, 1961 |
| India | Republic of India |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| IPO | Initial public offering |
| IRDA | Insurance Regulatory and Development Authority of India |
| IST | Indian Standard Time |
| IT | Information Technology |
| LIBOR | London Interbank Offered Rate |
| MICR | Magnetic Ink Character Recognition |
| Mn | Million |
| MPCB | Maharashtra Pollution Control Board |
| Mutual Funds | A mutual fund registered under the SEBI (Mutual Funds) Regulations, 1996 |
| N.A. / NA | Not Applicable |
| NAV | Net asset value |
| NECS | National Electronic Clearing Services |
| NEFT | National Electronic Fund Transfer |
| Notified Sections | The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India |
| NR | A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI |
| NRE Account | Non resident external account |

| Term | Description |
|-----------------------------|---|
| NRI | A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000 |
| NRO Account | Non Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | The National Stock Exchange of India Limited |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue |
| p.a. | Per annum |
| P/E Ratio | Price/earnings ratio |
| PAN | Permanent account number |
| PAT | Profit after tax |
| RBI | The Reserve Bank of India |
| RoC | Registrar of Companies, Mumbai |
| RoNW | Return on Net Worth |
| ₹/Rs./Rupees/INR | Indian rupees |
| RTGS | Real time gross settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SEBI | The Securities and Exchange Board of India constituted under the SEBI Act, 1992 |
| SEBI Act | Securities and Exchange Board of India Act 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 |
| SEBI FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as replaced pursuant to the SEBI FPI Regulations |
| 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 Investor) Regulations, 2000 |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |

| Term | Description |
|----------------------------|---|
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 |
| Securities Act | United States Securities Act, 1933 |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985 |
| Sq. ft. | Square feet |
| STT | Securities Transaction Tax |
| State Government | The government of a State in India |
| Stock Exchanges | BSE and NSE |
| Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |
| UK | United Kingdom |
| U.S. / USA / United States | United States of America |
| US GAAP | Generally Accepted Accounting Principles in the United States of America |
| USD / US\$ | United States Dollars |
| VAS | Value Added Services |
| VAT | Value added tax |
| VCFs | Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be |

Notwithstanding the foregoing, terms in the sections “Statement of Tax Benefits”, “Consolidated Financial Statements”, “Standalone Financial Statements” and “Main Provisions of Articles of Association” on pages 96, 170, 208 and 361, respectively, shall have the meaning given to such terms in such sections. Page numbers refer to page numbers of this Red Herring Prospectus, unless otherwise specified.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” in this Red Herring Prospectus are to the Republic of India and all references to the “U.S.”, “USA” or “United States” are to the United States of America.

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

Financial Data

Unless stated otherwise, the financial data included in this Red Herring Prospectus is derived from our restated financial statements prepared in accordance with sub-clause (i), (ii) and (iii) of clause (b) of sub-section (1) of Section 26 of the Companies Act, 2013 read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to one decimal place.

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

There are significant differences between Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Conditional and Results of Operations” on pages 17, 111 and 262 respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of restated financial information of our Company prepared in accordance with Indian GAAP and the sub-clause (i), (ii) and (iii) of clause (b) of sub-section (1) of Section 26 of the Companies Act, 2013 read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations.

Currency and Units of Presentation

All references to:

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

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

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and (i) the US\$ (in Rupees per US\$), (ii) Great Britain Pound (“GBP”) (in Rupees per GBP); and (iii)

Euro (in Rupees per Euro); and (iv) Canadian Dollar (“CAD”) (in Rupees per CAD):

| Currency | As on March 31, 2012 (₹) | As on March 31, 2013 (₹) | As on March 31, 2014 (₹) | As on September 30, 2014 (₹) | As on December 31, 2014 (₹) |
|----------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------------|--------------------------------|
| 1 US\$ | 51.16 ⁽¹⁾ | 54.39 ⁽²⁾ | 60.10 ⁽³⁾ | 61.61 | 63.33 |
| 1 GBP | 81.80 ⁽¹⁾ | 82.32 ⁽²⁾ | 99.85 ⁽³⁾ | 100.28 | 98.58 |
| 1 Euro | 68.34 ⁽¹⁾ | 69.54 ⁽²⁾ | 82.58 ⁽³⁾ | 78.21 | 77.00 |
| 1 CAD ⁽⁴⁾ | 52.24 | 53.74 | 54.14 | 55.10 | 54.68 |

Source: RBI Reference Rate, except otherwise specified

(1) Exchange rate as on March 30, 2012, as RBI Reference Rate is not available for March 31, 2012 being a Saturday.

(2) Exchange rate as on March 28, 2013, as RBI Reference Rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, Saturday and a public holiday, respectively.

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

(4) Source <http://www.oanda.com/currency/convertor/>.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications and sources. Further, unless otherwise stated, the information in this Red Herring Prospectus pertaining to the theme park industry is derived from “Indian Amusement Parks Industry Report,” dated January 2015, by ICRA Management Consulting Services Limited (the “IMaCS Report”).

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents and sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us or the GCLMs or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable.

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

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our 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 industries in India in which our Company has businesses and its ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, technological changes, its exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- changes in public and consumer tastes or consumer spending patterns and general economic conditions;
- publicity concerning our parks, the theme or the water park industry or the Mumbai - Pune region;
- access to funds required to meet our capital requirements;
- commencement of the operations of our water park and our hotel;
- ability to expand our business into additional geographic markets in India;
- availability of adequate, uninterrupted supply of power and water at reasonable cost;
- ability to purchase, or contract with third party manufacturers to build rides and attractions for our parks;
- ability of our third party vendors to perform their contractual obligations; and
- competition from other parks and entertainment alternatives.

For further discussion on factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 17, 111 and 262, 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 Red Herring Prospectus and are not a guarantee of future performance. Neither our Company, our Directors, the Selling Shareholder, the GCLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and GCLMs will ensure that the 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 Shareholder will ensure that investors are informed of material developments in relation to statements and undertakings made by the Selling Shareholder in the Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. If any one or some combination of the following risks were to occur, our business, results of operations, financial condition and prospects could suffer, and the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below.

We have described the risks and uncertainties that our management believes are material but the risks set out in this Red Herring Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and the risks involved.

Internal Risk Factors

- There are various proceedings pending against our Company and our Directors, our Promoters and certain Group Companies, which if determined against them, may have an adverse effect on our business.***

There are outstanding legal proceedings involving our Company, our Directors, our Promoters and certain Group Companies which are pending at different levels of adjudication before various courts, tribunals and other authorities. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and other parties. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business and results of operations. Certain details of such outstanding legal proceedings as of date of this Red Herring Prospectus are set out below:

Litigation against our Company

| Sr. No. | Nature of Litigation | Number of Outstanding Cases | Aggregate Approximate Amount Involved (₹ in millions) |
|---------|----------------------|-----------------------------|---|
| 1. | Civil | Four | Not quantifiable |
| 2. | Excise and Customs | One | 111.85* |

* The dispute pertains to the alleged non-payment of special additional duty of customs by our Company on the import of goods for our theme park. Our Company had availed of the exemption under notification no. 45/2005 – Customs, dated May 16, 2005, issued by the Ministry of Finance, Government of India. However, upon inquiry, the regulatory authority held that our Company was not entitled to claim such exemption. Accordingly, our Company has paid ₹ 104.10 million (out of the abovementioned amount) towards the amount claimed as exemption. For further details, see the section “Outstanding Litigation and Material Developments” on page 278.

Litigation against our Promoter

| Sr. No. | Nature of Litigation | Name of Promoter | Number of Outstanding Cases | Aggregate Approximate Amount Involved (₹ in millions) |
|---------|----------------------|------------------|-----------------------------|---|
| 1. | Civil | Manmohan Shetty | One | Not quantifiable |

Litigation against our Directors

| Sr. No. | Nature of Litigation | Name of the Director | Number of Outstanding Cases | Aggregate Approximate Amount Involved (₹ in millions) |
|---------|----------------------|----------------------|-----------------------------|---|
| 1. | Civil | Manmohan Shetty | Two | Not quantifiable |
| 2. | Civil | Kapil Bagla | Two | Not quantifiable |

| Sr. No. | Nature of Litigation | Name of the Director | Number of Outstanding Cases | Aggregate Approximate Amount Involved (₹ in millions) |
|---------|----------------------|----------------------|-----------------------------|---|
| 3. | Criminal | Kapil Bagla | One | Not quantifiable |

Litigation against our Group Companies

| Sr. No. | Name of Group Company | Nature of Litigation | Number of Outstanding Cases | Aggregate Approximate Amount Involved (₹ in millions) |
|---------|-------------------------|----------------------|-----------------------------|---|
| 1. | Walkwater Media Limited | Civil | One | Not quantifiable |

For details, see the section “Outstanding Litigation and Material Developments” on pages 277 to 282.

We cannot assure you that any of these matters will be settled in our favour or in favour of our Directors, Promoters or Group Companies or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have an adverse effect on our Directors or on our business, results of operations and reputation.

2. *Our Promoter, Manmohan Shetty has been subjected to inquiries by SEBI and RoC in the past.*

On November 7, 2006, SEBI initiated investigations against Manmohan Shetty. The investigations pertained to the sale of shares of Adlabs Films Limited (now known as Reliance MediaWorks Limited), a listed company then, undertaken by Manmohan Shetty on April 24, 2006, during the silent period, under the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. Subsequently, a show cause notice dated February 21, 2008 was issued to Manmohan Shetty in this regard and thereafter, through an order dated June 9, 2010, SEBI imposed a penalty of ₹ 10 million on Manmohan Shetty. Pursuant to an order dated May 27, 2011 passed by the SAT, the penalty was reduced to ₹ 2.5 million.

Separately, on March 29, 2007, SEBI initiated adjudication proceedings against Manmohan Shetty in relation to non-compliance with Regulation 3(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers), Regulations, 1997. Subsequently, a show cause notice dated May 22, 2007 was issued to Manmohan Shetty. Pursuant to an order dated December 13, 2007 passed by SEBI, this matter was settled by way of payment of ₹ 50,000 by Manmohan Shetty.

Further, two compounding orders were passed by the RoC between February 1, 2006 and May 31, 2006 involving Manmohan Shetty in relation to his erstwhile directorship in Adlabs Films Limited, now Reliance MediaWorks Limited. For details, see the section “Outstanding Litigation and Material Developments” on pages 280 to 281.

Our Company, our Promoters, our Promoter Group or Group Companies may be subjected to such inquiries or regulatory proceedings in the future and we cannot assure you that such proceedings will be settled or decided in our favour. An adverse outcome in any of these proceedings may have an adverse effect on our business, results of operations and reputation.

3. *Incidents or adverse publicity concerning our parks or the theme or the water park industry generally could harm our brands or reputation as well as negatively impact our business and results of operations.*

Our brands and our reputation are among our most important assets. Our ability to attract and retain guests depends, in part, upon the external perceptions of our parks, the quality of our parks and services and performance of our operations team. The operation of our parks involves the risk of accidents, contagious, airborne or waterborne diseases and other incidents that may negatively affect guest satisfaction and the perception of our guests in relation to safety, health and security of our parks, which could negatively impact our brands and reputation and our business and results of operations.

There was an accident involving our *Robinhood* rollercoaster on February 5, 2014 in which two guests sustained injuries. Our Company has initiated arbitration proceedings against I.E. Park, s.r.l Soli Bumper Cars (“IE Park”) for this ride alleging that the accident occurred on account of manufacturing

defects in the ride procured from IE Park and resulted in (a) injuries to some guests; (b) loss of reputation; (c) loss of business and revenue; and (d) incurrence of additional expenses. The terms of reference for the arbitral tribunal were determined on October 31, 2014. For further details, see the section “Outstanding Litigation and Material Developments” on page 279. We have ceased operating the *Robinhood* roller coaster after this accident.

An accident or an injury at our parks, such as the accident involving our *Robinhood* rollercoaster or at parks operated by competitors, particularly an accident or an injury involving the safety of guests and employees, that receives media attention or is otherwise the subject of public discussions, may harm our brands and reputation, increase our cost of insurance, cause a loss of consumer confidence in our parks, reduce attendance at our parks and negatively impact our results of operations.

As a result of the negative publicity, governmental authorities may also consider implementing stringent safety and other regulations in relation to theme parks and water parks. The costs of complying with, and the imposition of levies, if any, pursuant to, such regulations could be significant, and failure to comply could result in penalties, suspension of operational permits and can adversely affect our business, financial condition and results of operations. The considerable expansion in the use of social media over recent years has compounded the impact of negative publicity. While terms of most of our contracts with our vendors provide for a two-year defect liability warranty for our rides and attractions, in the event any accident were to occur on account of any manufacturing defect after the expiry of such warranty period, we may not be able to recover the losses suffered by us on account of such accident, including any harm to our brand or reputation. In addition, other types of adverse publicity concerning our business or the theme or the water park industry generally could harm our brands, reputation and results of operations.

4. *Our business and results of operations could be adversely affected by changes in public and consumer tastes or a decline in discretionary consumer spending, consumer confidence and general economic conditions.*

The success of our parks depends substantially on consumer tastes and preferences that can change in often unpredictable ways. We must adapt to these changes to meet consumer tastes and preferences. We carry out research and analysis before opening new rides and attractions and often invest substantial time and resources to gauge the extent to which these new rides and attractions will earn consumer acceptance. If attendance at our parks were to decline significantly, or if new rides and attractions at our park do not achieve sufficient consumer acceptance, our revenues may decline. Accordingly, we may not be able to recoup our capital expenditure in the rides and attractions and guest loyalty may be adversely affected, any of which could adversely affect our business and results of operations.

Further, our success depends to a significant extent on discretionary consumer spending, which is heavily influenced by general economic conditions and the availability of disposable income. The recent economic slowdown and increase in inflation in India, coupled with high volatility and uncertainty as to the future global economic landscape, has had and continues to have an adverse effect on consumers’ disposable income and Indian consumer confidence. Actual or perceived difficult economic conditions and inflationary periods may adversely impact park attendance figures, the frequency with which guests choose to visit our parks and guest spending patterns at our parks. Both attendance and total per capita spending at our parks are key drivers of our revenue and profitability, and reductions in either can adversely affect our business and results of operations.

5. *Our business is seasonal in nature, and may be affected by weather conditions, school vacations, public holidays and weekends. Therefore, a sequential quarter-to-quarter comparison of our results of operations may not be a good indicator of our performance.*

The theme and water park industry is seasonal in nature. Our parks could experience volatility in attendance as a result of school vacations, public holidays, weekends and adverse weather conditions such as excessive heat and monsoons. We believe that attendance at the theme and water park and revenues from F&B and retail and merchandise operations is, and will continue to be, higher during school vacations, public holidays and weekends. In addition, the water park is expected to generate higher revenues in the summer months. Conversely, we may face a reduction in revenues during the monsoon months. Further, unfavourable weather conditions such as forecasts of excessive rainfalls or heat may reduce the attendance at our parks. For these reasons, there may be quarterly fluctuations in

results of operations.

In addition, any disruption to our operations because of adverse weather conditions, or otherwise, during the high attendance periods such as school holidays, may have an adverse effect on our business and results of operations.

6. *Currently, all our revenues are attributable to Imagica – The Theme Park and Aquamagica at Adlabs Mumbai. Any event negatively affecting our parks or the Mumbai - Pune region may have an adverse effect on our business and our results of operations.*

Currently, we do not derive revenue from any source other than Imagica – The Theme Park and Aquamagica at Adlabs Mumbai. Until the commencement of commercial operations of our hotel, our results of operation will be entirely dependent on our parks. Our results of operations may be adversely affected if we are not able to operate parks successfully. Further, if Adlabs Mumbai faces any adverse development, including physical damages such as those resulting from systems failure, and our losses are not adequately covered by the relevant insurance policies, or if our parks undergo unscheduled maintenance for a longer period than estimated, our results of operations may be adversely affected.

Since Adlabs Mumbai is situated off the Mumbai – Pune Expressway, we will continue to primarily cater to visitors from the western region of India. We expect this market to continue to account for the majority of our revenues in the near future. If this region experiences adverse events, such as a local economic downturn, civil or political unrest, an adverse effect on transport or other infrastructure, a natural disaster, a contagious disease outbreak or a terrorist attack, or if the local authorities adopt regulations that place additional restrictions or burdens on us or on our industry in general, our business and results of operations may be adversely affected.

7. *We have incurred substantial indebtedness that exposes us to various risks, which may have an adverse effect on our business and results of operations.*

As of December 31, 2014, we had ₹ 10,837.88 million including interest accrued and due (except IAF CCDs, compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited, letters of credit, bank guarantees and unsecured loans from Manmohan Shetty and Thrill Park) of total amount of indebtedness outstanding. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialise, our business and results of operations may be adversely affected.

8. *Our lenders have substantial rights, including in the event of a breach, to determine how we conduct our business, which could put us at a competitive disadvantage and could have an adverse effect on our business, results of operations and financial condition.*

Our financing agreements contain provisions that restrict our ability to do, among other things, any of the following:

- creation of security over existing and future assets;
- incurrence of additional indebtedness under certain circumstances;
- making certain restricted payments, such as the declaration and distribution of dividends, redemption, retirement, purchase or other acquisition of the share capital of our Company, or

repaying the amounts contributed by our Promoters or Directors, unless certain specified conditions are satisfied;

- investing in equity interests or purchasing assets, other than in ordinary course of our business, unless certain conditions are satisfied;
- selling or disposing certain assets, including land;
- changing or expanding our scope of business or undertaking new projects;
- entering into certain corporate transactions such as reorganisations, amalgamations and mergers or creating subsidiaries;
- diluting our promoter's shareholding in our Company beyond specified levels;
- changing the capital structure of our Company;
- modifying constitutional documents; and
- incurring capital expenditure, except as permitted.

We must obtain the approval of the lenders under our financing agreements before undertaking these significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities.

Our Company also sought the approval of the Consortium Lenders for extension of the completion date of Adlabs Mumbai and consequent moratorium in repayment of the outstanding principal amount under the Common Loan Agreement from April 1, 2014 to April 1, 2015. As of the date of this Red Herring Prospectus, our Company has received consents from 11 of the 13 Consortium Lenders in this regard, out of which consents from three Consortium Lenders are subject to similar consents being granted by all the Consortium Lenders. Pending the receipt of these consents, the moratorium is currently in effect and our Company has agreed to commence repayment of the outstanding principal amount from April 30, 2015. While the first phase of our hotel comprising 116 keys is expected to be completed by March 2015, the balance 171 keys will become operational in phases thereafter in 2015. Consequently, our Company may be deemed to be in breach of the Common Loan Agreement. Any such breach that is not waived by the Consortium Lenders may trigger default provisions under the Common Loan Agreement and our Consortium Lenders could elect to accelerate all amounts outstanding under the Common Loan Agreement and declare such amounts immediately due and payable together with accrued and unpaid interest. If such amounts are accelerated, and we are unable to repay the amounts due, such lender may enforce their respective security interests in our assets, which may have an adverse effect on our business, liquidity and financial condition.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future) and by pledge of Equity Shares held by one of our Promoters, Thrill Park. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we would not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. If we are forced to issue equity to the lenders, your ownership interest in our Company will be diluted.

It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. Further, under our financing agreements, in the event our Company has sufficient cash flows to service the loans, the lenders are entitled to advance the loan repayment dates, in terms of our financing agreements.

Further, any material breach of the project agreements, such as agreements for installation of rides and

attractions and construction contracts, by us or our counter-parties that is not waived by the lenders or is otherwise not cured may also trigger default provisions under our financing agreements.

If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

9. *Our Promoter has pledged and may continue to pledge a portion of its equity shareholding in our Company in favour of our lenders, who may exercise their rights under the respective financing agreements in events of default.*

One of our Promoters, Thrill Park has pledged and may continue to pledge a certain percentage of a portion of its equity shareholding in our Company, as security for the loans provided by such lenders to us. As of the date of this Red Herring Prospectus, Thrill Park has pledged 23,394,782 Equity Shares with the Consortium Lenders as collateral security under the Common Loan Agreement. Any default on our part under the financing documents may result in the lenders enforcing their securities interests including by invoking the respective pledges. Upon invocation of their pledges, the lenders may choose to sell the Equity Shares in the open market, thereby diluting the shareholding of our Promoter. Further, the sale of such Equity Shares, or the perception that such sales may occur, may adversely affect the trading price of the Equity Shares.

10. *We have substantial capital requirements and may not be able to raise the additional funds required to meet these requirements, which could have an adverse effect on our business, results of operations and prospects.*

We operate in a capital-intensive industry with relatively long gestation periods. The most critical factor for the success of a theme and water park is the uniqueness and novelty of their rides and attractions. Accordingly, we are required to make capital investments on a regular basis to improve the existing rides and attractions and to introduce new theme and water park rides and attractions. Our financing requirements are primarily for the development cost of rides and other attractions and working capital. We also have significant capital expenditure plans in the near future, including expanding our portfolio of parks by developing a theme park in Hyderabad and adding three to four rides and attractions over the next five years, including one major ride or attraction every two years at our parks. The actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, the availability of land, interest rates, future cash flows being less than anticipated, unforeseen delays or cost overruns, unanticipated expenses, general economic conditions, regulatory and technological changes, market developments and new opportunities in the industry.

The financing required for such investments may not be available to us on acceptable terms or at all and we may be restricted by the terms and conditions of our existing or future financing agreements. If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase, which could significantly affect financial measures such as our earnings per share ("EPS"). If our Company does raise additional funds through the issuance of equity, your ownership interest in our Company will be diluted. Our ability to finance our capital expenditure plans is also subject to a number of risks, contingencies and other factors, some of which are beyond our control, including borrowing or lending restrictions under applicable laws, any restrictions on the amount of dividend payable and general economic and capital markets conditions. Further, since we recently commenced operations at Adlabs Mumbai, we cannot assure you that our operations will be able to generate cash flows sufficient to cover such costs. Any inability to obtain sufficient financing could result in the delay or abandonment of our development and expansion plans or the operation of existing parks. As a result, if adequate capital is not available, there could be an adverse effect on our business, results of operations and prospects.

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

We are susceptible to changes in interest rates and the risks arising therefrom. Our financing agreements entail interest at variable rates with a provision for the periodic reset of interest rates. Further, under our financing agreements the lenders are entitled to change the applicable rate of interest depending upon the policies of the Reserve Bank of India and in the event of an adverse change in our Company's credit risk rating. See the section "Financial Indebtedness" on page 256 for a description of

interest payable under our financing agreements. Historically, we have not entered into interest rate hedging transactions in connection with such indebtedness. Further, in recent years, the Government of India has taken measures to control inflation, which have included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business and results of operations.

- 12. *We rely on the value of our brand, and any failure to maintain, protect, enhance awareness of or monetize our brand could adversely affect our business and results of operations.***



We believe continued investment in our brands,  and , is critical to expanding our business. We have invested significantly, and will continue to invest, in marketing and advertising programs to preserve and enhance our brand, particularly outside of Mumbai and internationally. As part of our business strategy, we intend to leverage our brand and intellectual property, including through sponsorship and other marketing partnerships with third parties, which may not be successful. If we are unable to successfully and cost effectively promote or leverage our brand, and protect the goodwill currently associated with our brand, our ability to compete and increase the number of visitors at the theme park will be adversely affected.

- 13. *A large portion of our guests are school children, particularly children who visit our parks, as part of school groups. Catering to this category of guests entails different risks, which could adversely affect our business, reputation and results of operations.***

During school days, our parks often host several thousand school children as part of visiting school trips. Schools purchase tickets for groups on a bulk and discounted basis. Moreover, in our experience school children are likely to spend less on F&B and retail and merchandise during their visit. As a result, school children, when compared to adults on a per guest basis, generate less revenue from sale of admission ticket as well as sales of F&B and retail and merchandise.

Moreover, the presence of a large number of children at our parks poses greater health and safety risks. Although school children are mostly accompanied by teachers and school employees, and we believe our employees and our security team are particularly trained to manage children, incidents entailing injury, kidnapping or fatality involving a child at our parks could adversely affect our business, reputation and results of operations.

- 14. *If we are unable to commence operations of our hotel as expected, our results of operations could be adversely affected.***

Adlabs Mumbai will also include a family hotel, which is currently under development with the first phase comprising 116 keys expected to be completed by March 2015, with the balance 171 keys becoming operational in phases thereafter in 2015. This scheduled completion target is an estimate and may be subject to delays as a result of, among other things, disputes with workers, force majeure events, delays in supply of materials and inability in obtaining government approvals. We cannot assure you that the development of our hotel will be completed within the scheduled timeframe, or at all. We cannot assure you that all potential liabilities that may arise from delays or shortfalls in performance, will be covered under the agreements entered into with our contractors and suppliers or that the damages that may be claimed from such contractors and suppliers, as applicable, shall be adequate to cover any loss of profits resulting from such delays, shortfalls or disruptions. In addition, failure to complete these developments according to the original specifications or schedule, if at all, may result in our returns on investments being lower than originally expected and may trigger default provisions under our Company's financing agreements. Also, see the section "Risk Factors – Our lenders have substantial rights, including in the event of a breach, to determine how we conduct our business, which could put us at a competitive disadvantage and could have an adverse effect on our business, results of operations and financial condition." on page 20.

- 15. *Ineffectiveness of our marketing and advertising campaign may adversely affect our business and results of operations.***

Our revenues are influenced by our marketing and advertising campaigns. We rely to a large extent on our Promoters' and senior management's experience in defining our marketing and advertising programmes. We also rely on our sales promotion agents, who are engaged to manage our sales and

marketing activities. If our marketing and advertising campaigns are unsuccessful, we may fail to attract guests to our parks, which may have an adverse effect on our business and results of operations.

In addition, increased spending by our competitors on advertising and promotion or an increase in the cost of television or radio advertising could adversely affect our business and results of operations. Moreover, a material decrease in our advertising and marketing budget or an ineffective advertising campaign as compared to that of our competitors may also adversely affect our business and results of operations.

16. *We may experience difficulties in expanding our business into additional geographic markets in India, including Hyderabad, which may adversely affect our business prospects, financial condition and results of operations.*

We intend to set up integrated holiday destinations in other geographic locations, either through parks owned and operated by us or through a partnership or a franchise model. We have identified Hyderabad as a new location to develop a new theme park. Further, we have also entered into a memorandum of understanding dated July 1, 2013 for the purpose of submitting bids to set up tourism-related projects in Gujarat. We may face additional challenges such as increased competition, different culture, regulatory regimes, business practices, customs, behaviour and preferences from the Mumbai – Pune region, and our current experience may not be applicable to such new locations. In addition, as we enter new markets and geographical areas, we are likely to compete with local amusement parks who have an established local presence, are more familiar with local regulations, business practices and customs, have stronger relationships with local contractors, suppliers, relevant government authorities or are in a stronger financial position than us, all of which may give them a competitive advantage over us. We will also be exposed to various additional difficulties such as, obtaining necessary governmental approvals under unfamiliar regulatory regimes, acquiring land for such project, identifying and collaborating with local suppliers with whom we may have no previous working relationship, attracting potential guests in a market in which we do not have significant experience or visibility, being susceptible to local taxation in additional geographical areas of India, and adapting our marketing strategy and operations to suit different regions of India. Our inability to successfully expand our presence in other geographical areas may adversely affect our business, financial condition and results of operations.

In December 2012, one of our promoters, Thrill Park, entered into a shareholders' agreement ("JV Agreement") with Royale Luxury Private Limited for the development of a theme park in Hyderabad. Thrill Park has also agreed to assign its rights to develop this theme park under the JV Agreement to our Company. We are currently in the process of finalising our development plan for the proposed theme park in Hyderabad. For details of our proposed development plan and the collaboration arrangements, see the section "Business – Proposed Developments" on page 130. The implementation of this new theme park may be subject to various potential problems and uncertainties, including any inability to enter into definitive agreements or differences with our partners, the overall economic and political conditions, delays in delivery of supplies, delays in completion, unavailability of financing for the project, cost overruns, shortages in material or labour, delayed and improper performance by our third party contractors, defects in design or construction, delays in obtaining equipment and rides, delays in obtaining regulatory and lender approvals and unavailability of power and water. Further, under the JV Agreement, in the event certain specified milestones such as receipt of critical project approvals and capitalisation of the joint venture company are not completed within the specified period, the JV Agreement may be terminated. Additionally, actual capital expenditures for this project may exceed our budgets because of various factors beyond our control. If our actual capital expenditures significantly exceed our budgets, we may not be able to achieve the intended economic benefits from such projects. We cannot assure you that we will be able to implement our expansion plans for our new theme park in Hyderabad in a timely and cost-efficient manner, or at all, and any failure to do so would adversely affect our business, prospects and results of operations.

17. *We depend substantially on the delivery of an adequate, uninterrupted supply of power and water at reasonable cost. Prolonged disruption of these services during our operational hours may have an adverse effect on our business and results of operations.*

To function effectively, all of the rides and attractions at Imagica – The Theme Park as well as several of our rides at our water park depend on an adequate, uninterrupted supply of power. Further, all of the rides at our water park depend on an adequate, uninterrupted supply of clean water, at a reasonable

cost. For power, we rely on regional and transmission grids operated by state electricity providers. We have entered into an electricity supply agreement with Maharashtra State Electricity Distribution Company Limited for the supply of electricity for Adlabs Mumbai, which is valid up to March 2015. If we are unable to renew such agreement upon its expiry on commercially acceptable terms or at all, our business and results of operations will be adversely affected. Further, while we do not have a back up supply for our rides and attractions, we utilise diesel generators as back up for the utilities, fire-fighting equipment and our F&B outlets. For water, we rely on the local water supply and are permitted to draw water from the nearby reservoir up to a specified amount. We have also constructed a reservoir to harvest rainwater. For details, see the section “Business – Utilities” on page 131.

Though we derive power from two different local transmission grids, the supply of power from these grids could be interrupted from time to time, which would disrupt the operation of rides and attractions in our parks. If there is an interruption in the supply of power or water, we may be required to suspend operations of all of the rides and attractions at the parks, and we may be required to offer refunds to our guests. We had to face one instance of a power supply interruption at both grids after which we refunded tickets for some of our guests.

Moreover, power and water account for 12.7% of our total operating costs for the six months ended September 30, 2014. The costs of power and water depend on a number of factors that are beyond of our control, such as weather patterns, connectivity, existing demand and the extent of economic activity. If the price of power or water increases, our operating costs will increase. While we believe that our current supply of power and water from third parties is sufficient to meet our existing requirements, we cannot assure you that we will continue to have an adequate, uninterrupted supply of power and water at reasonable cost in the future, particularly as we continue to build attractions at the theme park and the water park and are in the process of launching the hotel. If we are unable to pass on any increase in the cost of power or water to our guests, our profitability may be adversely affected. Any significant increase in the cost of, coupled with our inability to find an adequate cost-effective replacement for our sources for, power or water could cause interruptions in the attractions at our parks.

The interruptions to the supply of power and water may adversely affect our reputation, brand, business and results of operations.

18. *We may be unable to purchase, or contract with third-party manufacturers to build, rides and attractions for our parks, which could adversely affect our business and results of operations.*

Our success depends on our ability to improve our existing rides and attractions and introduce new ones. We depend on third parties for the improvement, development, supply and training of our staff for maintenance of such rides and attractions. We may be unable to purchase, or contract with third parties to continue to build high quality rides and attractions and to continue to train employees to service and maintain existing or new rides at competitive prices, or to provide replacement parts needed to maintain the operation of such rides. In addition, if our third party suppliers’ financial condition deteriorates or they go out of business, we may not be able to obtain the full benefit of the manufacturer warranties or indemnities typically contained in our contracts or may need to incur greater costs for the maintenance, repair, replacement or insurance of our assets, which could adversely affect our business and results of operations.

19. *We depend on third-party vendors for services, any disruption, deficiency in service or increase in cost of which could adversely affect our business and results of operations.*

We depend on third-party vendors and suppliers for a number of services and products, including beverages and retail products, live entertainment performances, security and maintenance. We expect our reliance on these third-party vendors to continue to increase as we launch new attractions in our parks and launch our hotel and the number of visitors to our parks continues to increase. These third parties may experience disruptions, provide lower quality service or increase the prices of their products or services for a number of reasons that are beyond our control. For example, we are involved in arbitration proceedings with our vendor for the *Robinhood* ride in relation to the accident at Imagica – The Theme Park, which we believe was caused due to a manufacturing defect in the ride. For further details, see the section “Outstanding Litigation and Material Developments” on page 279. We have also entered into agreements with third parties for the development of a snow park and an adventure-course tower. If our partners are not able to complete these developments in a timely and cost-efficient

manner, or at all, our business, results of operations and financial condition may be adversely affected.

As a result, we cannot be certain that we will continue to receive satisfactory services or products on acceptable terms or at all. Should we experience a disruption in the supply, or quality, of these services or products, or if such contracts for services expire, we may not be able to find a replacement or renew our contracts, as the case may be, in a timely fashion, on reasonable terms or at all, which could require us to discontinue aspects of the experience at our parks or incur additional costs in developing those ourselves. This may adversely affect our business and results of operations.

20. *Our insurance coverage may not be adequate to cover all possible losses that we could suffer.*

We seek to maintain comprehensive insurance coverage at commercially reasonable rates. Although we maintain various safety and loss prevention cover and carry property and casualty insurance to cover certain risks that we believe to be consistent with industry norms, our insurance policies do not cover all types of losses and liabilities and are subject to exclusions and deductibles. We cannot assure you that our insurance will be sufficient to cover the full extent of all losses or liabilities for which we are insured, and we cannot guarantee that we will be able to renew our current insurance policies on favourable terms, or at all. In the event we fail to renew the insurance policies within the prescribed time period, or at all, we may face significant uncovered losses. In addition, if we or other park operators sustain significant losses or make significant insurance claims or any accidents were to occur at our parks, then our ability to obtain future insurance coverage at commercially reasonable rates could be adversely affected.

Our business and assets, including our parks, hotel and office premises, could suffer damage from fire, such as the fire break-out in the premises where our corporate office is located in July 2014, accidents, such as the accident involving our *Robinhood* rollercoaster, natural calamities, negligence on the part of our operations and maintenance staff or other causes including prolonged use over a period of time. In July 2014, there was a fire in the premises in which our corporate office is located and we are currently operating from a temporary office. Such incidents could result in losses, which may not be fully covered by insurance.

If we suffer a loss that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

21. *We may not be successful in implementing our business strategies, which could adversely affect our business, and results of operations and prospects.*

The success of our business will depend on our ability to effectively implement our strategies. We plan to continue to develop Adlabs Mumbai as an integrated holiday destination, focus on increasing the number of guests hosted at Adlabs Mumbai, diversify our revenue streams, achieve cost optimisation and increase profitability. In implementing these strategies, we face a number of risks, including:

- we may not be able to develop and construct rides, attractions, shows and product offerings successfully within Adlabs Mumbai to attract more guests;
- we may not be able to source funds needed to operate an expanded business, set up new theme parks and meet our future debt service obligations and guarantees;
- we could incur time or cost overruns;
- our F&B and retail operations and advertising and intellectual property strategy may not generate sufficient revenue; and
- our cost rationalisation measures may not be successful.

We expect our strategies to place significant demands on our management and other resources and require us to continue to develop and improve our operational, financial and other internal controls. We may also need to alter our business strategies on an ongoing basis to manage our growth and compete effectively with other amusement parks. Our inability to manage our business and implement our strategies could adversely affect our business and results of operations.

22. *The high fixed cost structure of operations can result in significantly lower margins if our revenues*

decline, which could adversely affect our results of operations.

A large portion of our expenses are relatively fixed because the cost of full-time employees, operations and maintenance costs, interest costs, security and insurance do not vary significantly with attendance at our parks. These fixed costs may increase at a greater rate than our revenues and we may not be able to reduce such costs at the same rate as the declining revenues. These effects could be particularly pronounced during periods of economic contraction, bad weather or epidemics. If cost-cutting efforts prove to be insufficient to offset any decline in revenues or are impracticable, we could experience a decline in margins, profitability and reduced or negative cash flows.

23. *We have a limited operating history, which may make it difficult for you to evaluate our past performance and future prospects.*

We have a limited operating history. While Imagica – The Theme Park became fully operational on November 1, 2013, for a period of approximately six months prior to November 1, 2013, some of the rides and attractions were open to the public. Further, our water park became fully operational on October 1, 2014. Our limited operating history may adversely affect our ability to implement our growth strategies, and may make it difficult for you to evaluate our past performance and future prospects in connection with any investment in the Equity Shares. Prospective investors should accordingly consider our future prospects in light of the risks and the challenges encountered by a company with a limited operating history.

Further, our hotel, located adjacent to our parks, is currently under construction and the first phase of our hotel comprising 116 keys is expected to be completed by March 2015, with the balance 171 keys becoming operational in phases thereafter in 2015. We have no operating experience in the hotel industry. The performance and quality of our services at our hotel will be critical to the success of our hotel. These factors will depend significantly on the effectiveness and quality of our facilities, standard operating procedures, our quality control systems, which in turn, depend on the skills and experience of our management.

We cannot assure you that we will be able to successfully meet the challenges, uncertainties, costs and difficulties encountered by us or that we will attain our objectives successfully. Our limited operating history as a company makes it difficult to predict our future prospects and financial performance.

24. *Our inability to compete effectively against other amusement parks and entertainment alternatives could adversely affect our business and results of operations*

We face competition from other amusement and water parks and other entertainment alternatives on a number of metrics, including cost, ease of use, proximity to large population centres and quality of entertainment offered. Mumbai is home to another park, Essel World, which includes an amusement park and a water park.

In addition to competing with other parks, our parks compete with other types of recreational venues and entertainment venues, including movies, sports attractions and vacation travel. We cannot assure you that we will be able to successfully differentiate ourselves from these entertainment alternatives or that consumers will consider our entertainment offerings to be more appealing than those of our competitors. The increasing availability and quality of technology-based entertainment has provided families with a wider selection of entertainment alternatives in their homes, including home based entertainment units, in-home and online gaming, as well as on-demand streaming video and related access to various forms of entertainment. Our inability to compete effectively against other parks and these entertainment alternatives could adversely affect our business and results of operations.

25. *Any failure, disruption or manipulation of our information technology systems could adversely affect our business and operations.*

We rely on our information technology systems to provide us with connectivity across our business functions and connectivity with our vendors through our software, hardware and network systems. Our business processes are information technology enabled, and any failure in our information technology systems or loss of connectivity or any loss of data arising from such failure could disrupt our ability to track, record and analyse work in progress, monitor maintenance activities or share data with our vendors, process financial information, manage creditors/debtors or engage in normal business

activities, which could have an adverse effect on our business and operations. Further, any failure, disruption or manipulation of our information technology system could disrupt our ability to track, record and analyse sales of tickets, which could have an adverse effect on our business and operations.

26. *Cyber security risks and the failure to maintain the integrity of internal or guest data could expose us to data loss and liability and our reputation could be significantly harmed.*

We collect and retain large volumes of internal and guest data, including credit card numbers and other personally identifiable information, for business purposes, including for transactional or target marketing and promotional purposes, and our various information technology systems enter, process, summarise and report such data. We also maintain personally identifiable information about our employees. The integrity and protection of our guest, employee and Company data is critical to our business and our guests and employees have a high expectation that we will adequately protect their personal information. The regulatory environment, as well as the requirements imposed on us by the credit card industry, governing information, applicable security and privacy laws is increasingly demanding and may continue to evolve. Complying with applicable security and privacy regulations could adversely affect our ability to market the parks and services to our guests, and such compliance, as well as protecting our guests from consumer fraud, could increase our operating costs. Furthermore, a penetrated or compromised data system or the intentional, inadvertent or negligent release or disclosure of data could result in theft, loss, fraudulent or unlawful use of guest, employee or Company data which could harm our reputation, disrupt our operations or result in remedial and other costs, fines and litigation.

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



We require various statutory and regulatory permits, licenses and approvals to carry out our business and operations including (i) permission for the operation of rides from various authorities such as (a) the electricity department, (b) the relevant district collector and (c) no objection certificates (“NOCs”) for our rides and attractions from the relevant public works division (“PWD NOCs”); (ii) licenses for operating restaurants and F&B outlets from the relevant Food and Drug administration authorities; (iii) licenses for serving liquor at the restaurants from the relevant district collector (“Liquor Licenses”); (iv) environmental clearances and consents; and (v) clearances from the Directorate of Maharashtra Fire Services. For details, see the section “Government Approvals” on page 283. A majority of these approvals are granted for a limited duration and require renewal. Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. For example, the consent to operate our theme park and water park issued by the MPCB was valid until November 30, 2014. Whilst we have applied for such renewal on November 26, 2014, we are yet to receive the renewed consent as on the date of this Red Herring Prospectus. If we do not receive these approvals or are not able to renew the approvals in a timely manner, then our business and operations may be adversely affected. Moreover, any revocation of the approvals by the relevant regulatory authority would impair the operations of Adlabs Mumbai and consequently have an adverse effect on our business.

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

In addition, Walkwater Properties Private Limited (“Walkwater Properties”), the wholly-owned subsidiary of our Company, has applied to the Government of Maharashtra for an approval to develop a township project on a parcel of land measuring 170 acres adjacent to Adlabs Mumbai along with certain adjoining parcels of land owned by third parties. Walkwater Properties intends to enter into the necessary agreements with other parties upon the receipt of the necessary approvals. Walkwater Properties may not be able to obtain the required approvals or may not be able to enter into definitive agreements with other parties on acceptable terms, or at all. See also “Risk Factors – The township project proposed on the AEL Surplus Land may not materialise if the required approvals are not received for transfer of AEL Surplus Land to Walkwater Properties” and “Risk Factors – Our Company may not be able to transfer a portion of the AEL Surplus Land to Walkwater Properties if the required

approvals are not received” on pages 29 to 30.

28. *Our inability to protect or use our intellectual property rights, some of which we license from our Promoter and third parties, may adversely affect our business.*

We have made applications for the registration of the “Adlabs Imagica!”, the  and  logos as trademarks, which may not be granted in a timely manner, or at all. We may not be able to prevent infringement of our trademark and a passing off action may not provide sufficient protection until such time that this registration is granted.

Further, we license the ‘Adlabs’ trademark and logo on a non-exclusive basis from our Promoter, Manmohan Shetty, pursuant to a license agreement that expires on January 13, 2025. Further, on the expiry of the term of the license agreement or the expiry of the initial period of registration of the ‘Adlabs’ trademark and logo, we would be at risk of losing our rights to the ‘Adlabs’ trademark and logo, unless the term of license is extended or the registration of the ‘Adlabs’ trademark and logo is renewed by our Promoter, Manmohan Shetty, upon its expiry, as applicable. Moreover, if our Promoter, Manmohan Shetty decides to sell the trademark, we cannot assure you that we will be able to purchase, or secure a license with the new owner for the trademark or logo on acceptable terms or at all.

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

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those 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 adversely affect our business, results of operations and financial condition.

29. *The township project proposed on the AEL Surplus Land may not materialise if the required approvals are not received for transfer of AEL Surplus Land to Walkwater Properties.*

As disclosed in the section “Our Business”, our Company owns approximately 170 acres of surplus land (the “AEL Surplus Land”). Our Company has entered into a deed of conveyance dated September 29, 2014 pursuant to which our Company has transferred 137.33 acres of the AEL Surplus Land to Walkwater Properties, a wholly owned subsidiary of our Company, subject to the existing mortgage in favour of the security trustee for the Consortium Loan and the rights of the Consortium Lenders in respect of the same (the “Conveyance”). Our Company is awaiting the consents required from the Consortium Lenders for the conclusion of this transaction. The consideration for this conveyance of land is ₹ 1,057.57 million which is payable to our Company by Walkwater Properties by issuance of fresh equity shares of Walkwater Properties to our Company.

Subsequent to the above mentioned Conveyance, our Company undertook the Pre-IPO Placement and received FDI of an aggregate amount of ₹ 500.00 million on October 10, 2014 from NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited.

If our Company does not receive consents required for the Conveyance from all the Consortium Lenders or if any other condition of the Conveyance is not fulfilled, the Conveyance can be set aside. If the Conveyance is set aside, as our Company has received FDI in the Pre-IPO Placement, our Company may not be able to again convey the AEL Surplus Land to Walkwater Properties or any other entity without prior approval of FIPB and the proposed township project on the AEL Surplus Land may not take place. Accordingly, our Company can neither undertake nor participate in the development of AEL Surplus Land without obtaining the requisite regulatory and third-party approvals.

30. *Our Company may not be able to transfer a portion of the AEL Surplus Land to Walkwater Properties if the required approvals are not received.*

Our Company has entered into an Agreement to Sell dated November 7, 2014 (the “ATS”) pursuant to which our Company proposes to transfer 32.58 acres of the AEL Surplus Land (the “Balance Land”) to Walkwater Properties, a wholly owned subsidiary of our Company, subject to the existing mortgage in favour of the security trustee for the Consortium Loan and the rights of the Consortium Lenders in respect of the same. Our Company is awaiting the consents required from the Consortium Lenders for such transfer.

As the Balance Land was acquired by our Company under the permission of the Directorate of Industries, Government of Maharashtra (“DIC”) issued under section 63-1A of the Bombay Tenancy and Agricultural Lands Act, 1948, our Company requires prior approval of DIC and/or district administration for such transfer.

Further, as our Company has undertaken the Pre-IPO Placement prior to entering into the ATS, our Company will require approval from FIPB before transferring the Balance Land to Walkwater Properties.

If our Company does not receive all the consents and approvals required for the transfer of the Balance Land, our Company may not be able to transfer the Balance Land to Walkwater Properties and the Balance Land will not be available for the proposed township project by Walkwater Properties. Accordingly, our Company can neither undertake nor participate in the development of Balance Land without obtaining the requisite regulatory and third-party approvals.

31. *We have incurred a loss for the six months ended September 30, 2014 and cannot assure you that we will not continue to incur losses in the future, which may adversely affect our ability to carry out our business.*

We have incurred a loss after tax for the six months ended September 30, 2014 of ₹ 535.29 million. We cannot assure you that we will not continue to incur losses in the future, which may adversely affect our ability to carry out our business.

32. *We had negative net cash flows from operating and investing activities in the past and may continue to have negative net cash flows in the future.*

We had negative cash flow for the following periods as set out below:

| Particulars | For the Financial Year | | | Six Months ended September 30, 2014 (consolidated) |
|---|------------------------|------------|------------|--|
| | 2012 | 2013 | 2014 | |
| | (₹ in millions) | | | |
| Net cash generated from / (used in) operating activities | 803.59 | 633.63 | (29.24) | 253.94 |
| Net cash generated from / (used in) investing activities | (1,059.10) | (6,902.92) | (3,575.98) | (1,080.60) |
| Net cash generated from / (used in) financing activities | 252.11 | 6,504.80 | 3,663.58 | 670.25 |
| Net cash increase / (decrease) in cash and cash equivalents | (3.40) | 235.51 | 58.36 | (156.41) |

We commenced operations during the financial year 2014 and our negative cash flows from operations for these periods were primarily on account of adjustments as a result of working capital changes. Negative net cash flows from investing activities for these periods were primarily attributable to the purchase of fixed assets and interest expense. For further details in relation to the net cash flows in the preceding periods, see the sections “Consolidated Financial Statements”, “Standalone Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 170, 208 and 262, respectively. We cannot assure you that our net cash flow will be positive in the future.

33. ***We depend substantially on the services of members of our senior management and our business may be adversely affected if we are unable to retain them.***

We depend substantially on the services of members of our senior management, including our Managing Director, Chief Executive Officer and Chief Operating Officer, to develop and execute the vision, and oversee the operations and continued growth, of our parks. Our continued growth and guest experience will also continue to depend substantially on the creative inspiration and experience drawn on by our management team. Competition for individuals to replace any of our senior management is intense, and we may not be able to recruit and retain suitable replacements in a timely manner or at all. We do not maintain key man insurance for any of our senior management personnel.

The loss of services of any of our senior management team could adversely affect our ability to implement our strategic initiatives and our business and results of operations.

34. ***We depend on motivated, skilled employees to develop, operate and maintain Adlabs Mumbai, our inability to continue to train and retain which could adversely affect our business and results of operations.***

Our operations depend substantially on retaining a base of motivated, skilled employees to develop, operate and maintain the attractions at Adlabs Mumbai. India has a shortage of employees trained to operate and maintain sophisticated attractions at theme parks and water parks. Prior to commencing operations, our vendors carried out training for our employees to operate and maintain such rides and attractions. In addition, we carry out regular training for our personnel at our theme and water parks to deliver a consistent and high quality experience to our guests. We also depend substantially on the motivation and enthusiasm of our employees to create the park experience. If we are unable to retain, and as we continue to expand, hire and train, motivated, skilled employees, our labour costs may increase, we may face staff shortages or the quality of our park experience could be adversely affected. Such occurrence could also result in decreased operational efficiency, productivity and an increase in recruitment and training costs thereby adversely affecting our growth, business and results of operations.

Moreover, while we believe we enjoy a good relationship, and have not experienced any incidents, with our employees, any labour disputes or wide-scale work stoppages by our employees could adversely affect our business and results of operations.

35. ***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. For example, as of September 30, 2014, unsecured loans of ₹ 70 million and ₹ 450 million provided by our Promoters, Thrill Park and Manmohan Shetty, respectively, are outstanding. Since the parties have not entered into any definitive agreements in respect of these loans, these loans may be repayable on demand. If these loans are accelerated, our results of operations and financial condition may be adversely affected. Further, we have also entered into consultancy agreements with Aarti Shetty and Pooja Deora. 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. Such related party transactions may potentially involve conflicts of interest. For details on our related party transactions, see the sections "Consolidated Financial Statements – Statement of Related Party Transactions" and "Standalone Financial Statements – Statement of Related Party Transactions" on pages 206 and 253, respectively. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business and results of operations.

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

Following the completion of the Issue, Manmohan Shetty, himself and through his wholly owned company, will continue to hold 56.84% of our outstanding Equity Shares, and therefore will have the ability to significantly influence our operations. This will include the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the

issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum and Articles of Association, and any assignment or transfer of our interest in any of our licenses. We cannot assure you that Manmohan Shetty 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.

37. ***Our Promoters, Directors and Key Management Personnel may have interests in us other than reimbursement of expenses incurred, normal employee remuneration or benefits payable under the terms of their agreements with us, which may potentially involve conflict of interests with our Shareholders.***

Our Promoter and Director, Manmohan Shetty is interested in us to the extent of the transactions entered into by him and his relatives with our Company. Such transactions include (a) the license agreement for the use of the trademark “Adlabs” and leave and license agreements for the use of our corporate office premises and car parking lots, entered into with Manmohan Shetty; and (b) consultancy agreements entered into with Aarti Shetty and Pooja Deora. In addition, our Directors and Key Management Personnel are also interested in us to the extent of their shareholding and dividend entitlement. For further information, see the sections “Our Management” on pages 149, 150 and 156 and “Our Promoters and Promoter Group” on page 160. For details in relation to the related party transactions entered into by our Company, see the section “Related Party Transactions” on page 168. This may potentially involve conflict of interest with our Shareholders.

38. ***We may be held liable for the payment of wages to the contract labourers we engage in our operations.***

In order to retain flexibility and control costs, we appoint independent contractors who, in turn, engage on-site contract labour to perform certain operations, including providing security. We determine the number of contract labourers required depending on the requirement of our business from time to time. Although we do not engage these labourers directly, in the event of default by any independent contractor, we may be held responsible for any wage payments that must be made to such labourers. If we are required to pay the wages of the contracted employees, our results of operations and financial condition could be adversely affected. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, we may also be required to employ a number of such contract labourers as permanent employees. Any order from a regulatory body or court directing us to employ contracted employees could have an adverse effect on our business, results of operations and financial condition.

39. ***We have certain contingent liabilities which may adversely affect our financial condition.***

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

| Particulars | Amount (₹ in millions) |
|--------------------------------|---------------------------|
| Suit Filed Against the Company | 8.78 |
| Total | 8.78 |

If a significant portion of these liabilities materialise, it could have an adverse effect on our business, financial condition and results of operations. For details, see the sections “Consolidated Financial Statements – Contingent Liabilities” and “Standalone Financial Statements – Contingent Liabilities” on pages 201 and 246, respectively.

40. ***Land title in India can be uncertain and our Company may not be able to identify or correct defects or irregularities in title to the land which it owns or intends to acquire.***

There is no central title registry for real property in India and the method of documentation of land records in India has not been fully computerised. Property records in India are generally maintained at the state and district level and are updated manually through physical records of all land related documents and may not be available online for inspection or updated in a timely manner. This could result in investigations into property records taking a significant amount of time or being inaccurate in certain respects, which may affect our Company’s ability to rely on them. Land records are often hand-

written, in local languages and not legible, which makes it difficult to ascertain their content. In addition, land records are often in poor condition and are at times untraceable, which materially impedes the title investigation process. In certain instances, there may be a discrepancy between the extent of the areas stated in the revenue records and the areas stated in the title deeds, and the actual physical area of some of the parcels of land on which our parks are set up or future projects are proposed to be set up. Furthermore, improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect the title to a property. As a result, potential disputes or claims over title to the land that our Company owns, or the land on which our park is or future projects will be constructed, may arise. For example, an individual, Bharat Lekhraj Harwani, had initiated proceedings before the Court of Civil Judge, Senior Division, Panvel, against certain persons from whom we purchased land and our Company, alleging irregularities in the purchase of land admeasuring 65 acres on which Adlabs Mumbai is located. Subsequently, the Bombay High Court referred this dispute to arbitration. This matter is currently pending before an arbitration tribunal. Further, another individual, Laxman Narayan Patil, has filed a suit before the Court of Civil Judge, Junior Division at Khalapur against our Company, alleging encroachment on the part of our Company over the land owned by him aggregating to 2.2 acres. The land in dispute forms part of the land on which our theme park is situated. This dispute is currently pending before the District Court, Raigad at Alibaug. In addition, our Company has received a notice from the Divisional Commissioner Office in relation to the acquisition and use of such land by our Company. For details on these matters, see the section "Outstanding Litigation and Material Developments" on page 277. Any adverse development in either of these proceedings may adversely affect our business and results of operations.

We cannot assure you that there will be no legal defects and irregularities in title to any land which our Company has acquired or may acquire in the future in connection with the development of parks or that our Company will be able to identify or correct any such defects. Moreover, we cannot assure you that all the legal defects, irregularities and disputes related to title would be identified by our Company prior to the acquisition of land. Any defects or irregularities of title may result in loss of development or operating rights over land, which may prejudice the success of our business and may require us to write off substantial expenditures in respect of a project. Any inability to identify defects or irregularities of title, and any inability to correct any such defects or irregularities of title may have an adverse effect on our business, financial condition and results of operations.

41. *We have issued Equity Shares during the last one year at a price that may be below the Issue Price.*

During the last one year, we have issued Equity Shares at a price that may be lower than the Issue Price as set out in the table below:

| Sr. No. | Name of Allottee | Date of Allotment | No. of Equity Shares | Issue Price (₹) | Reason |
|----------------|--|--------------------------|-----------------------------|------------------------|--|
| 1. | NYLIM Jacob Ballas India Holdings IV | October 10, 2014 | 95 | 230 | Preferential Allotment under JB Investment Agreement |
| 2. | Jacob Ballas Capital India Private Limited | October 10, 2014 | 5 | 230 | Preferential Allotment under JB Investment Agreement |
| 3. | India Advantage Fund | January 30, 2015 | 10,434,775 | 138 | Allotment pursuant to conversion of IAF CCDs |
| 4. | NYLIM Jacob Ballas India Holdings IV | January 30, 2015 | 2,539,989 | 187 | Allotment pursuant to conversion of compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV under the Pre-IPO Placement |

| Sr. No. | Name of Allottee | Date of Allotment | No. of Equity Shares | Issue Price (₹) | Reason |
|---------|--|-------------------|----------------------|-----------------|--|
| 5. | Jacob Ballas Capital India Private Limited | January 30, 2015 | 133,684 | 187 | Allotment pursuant to conversion of compulsorily convertible debentures issued to Jacob Ballas Capital India Private Limited under the Pre-IPO Placement |

In terms of the IAF Investment Agreement and JB Investment Agreement, such issuances were undertaken at a price based on the pre-Issue valuation of our Company determined on the basis of an estimate of the Issue Price. Such conversion price may be lower than the Issue Price.

42. Our Group Companies have incurred losses in the last three financial years.

Certain of our Group Companies have incurred losses in the last three financial years, as set out in the table below:

| Sr. No. | Name of the entity | Profit/(Loss) (Amount in ₹ million) | | |
|---------|---|-------------------------------------|--------|---------|
| | | For the Financial Year | | |
| | | 2014 | 2013 | 2012 |
| 1. | Adlabs Shringar Multiplex Cinemas Private Limited | 27.60 | (9.24) | 18.83 |
| 2. | Walkwater Media Limited | (33.32) | (8.96) | (18.79) |
| 3. | Dream Estates | (0.008) | (0.76) | N.A. |

We cannot assure you that our Group Companies will not incur losses in the future.

External Risk Factors

43. Various factors beyond our control could adversely affect attendance and guest spending patterns at our parks.

Our growth strategy depends significantly on our ability to increase attendance at our parks. Attendance at our parks is affected by various factors beyond our control, including factors that indirectly affect us due to their impact on our suppliers, vendors, insurance carriers or other contractual counterparties. These factors include:

- war, terrorist activities or threats and heightened travel security measures instituted in response to these events;
- outbreaks of pandemic or contagious diseases or consumers' concerns relating to potential exposure to contagious diseases;
- natural disasters, such as hurricanes, fires, earthquakes, tsunamis, tornados and floods and man-made disasters;
- bad weather and forecasts of bad weather, including abnormally hot, cold and/or wet weather, particularly during weekends, holidays or other peak periods;
- changes in the desirability of particular locations or travel patterns of our guests; and
- oil prices and travel costs and the financial condition of the airline, automotive and other transportation-related industries, any travel-related disruptions or incidents, and the development and maintenance of travel and particularly road traffic infrastructure.

Any one or more of these factors could adversely affect attendance and per capita spending, or increase the cyclicity in spending, at our parks, which could adversely affect our business, results of operations and financial condition.

44. *Our parks are susceptible to the consequences of natural calamities and extreme weather conditions, which may adversely affect our business and results of operations.*

Our parks are, or may in the future, be primarily located in regions in India that may be susceptible to natural calamities and severe weather conditions including heavy monsoons, storms, or other similar conditions. Such events may cause floods or damage to our parks, resulting in fewer visitors or closure of our parks for extended or indefinite periods of time, which may have an adverse effect on our operations. Such natural calamities and weather conditions may also adversely affect the number of visitors in certain seasons, which may adversely affect our results of operations.

45. *We are subject to risks arising from exchange rate fluctuations. Depreciation of the Rupee against foreign currencies may have an adverse effect on our results of operations.*

While our revenues are denominated in Rupees, we import rides and attractions related equipment and procure services from overseas, the costs and fees of which are denominated in foreign currencies. We currently do not have any hedging arrangement for our foreign risk exposure. Details of our unhedged foreign currency exposures are set out below:

| Particulars | As of December 31, 2014 Amount (in millions) |
|--|---|
| Buyers Credit (denominated in US\$) | 11.38 |
| Buyers Credit (denominated in Euro) | 7.50 |
| Buyers Credit (denominated in Pound Sterling) | 0.45 |
| Total ₹ Equivalent of Buyers Credit Facilities | 1,343.23 |
| Letters of Credit Facility (denominated in US\$) | — |
| Letters of Credit Facility (denominated in Euro) | — |
| Letters of Credit Facility (denominated in Pound Sterling) | — |
| Letters of Credit Facility (denominated in Canadian \$) | 0.11 |
| Total ₹ Equivalent of Letters of Credit Facilities | 5.92 |

Any adverse movements in the value of Rupee against the currencies set out above may increase our cost of borrowings and increase depreciation cost. Moreover, imports are subject to Government regulations and approvals, the availability of foreign exchange credit and the levy of customs duties. Delays in obtaining required approvals, changes in customs duties or foreign exchange rates or adverse movements in the value of the Rupee could lead to a delay in the acquisition of necessary equipment or adverse financial implications due to price movements thereof, which could have an adverse effect on our business and results of operations.

The exchange rate between the Rupee and the US Dollar has changed substantially in recent years and may continue to fluctuate substantially in the future. Accordingly, our results of operations would be negatively affected if the Rupee depreciates against the US Dollar even further. If we are unable to recover the costs of foreign exchange variations through our ticket prices or from our lower cost buyer's credit facilities denominated in US Dollar, depreciation of the Rupee against foreign currencies may adversely affect our results of operations and financial condition. Any further adverse change in the exchange rate of the Indian Rupee, may also have an adverse effect on the market price of the Equity Shares and returns from the Equity Shares, independent of our results of operations.

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

The following external risks may have an adverse impact on our business and results of operations should any of them materialise:

- a change in the central or Maharashtra state government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins; and

- a slowdown in economic growth or financial instability in India could adversely affect our business and results of operations.

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

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

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

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

48. *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 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 2.0% of our average net profits during three immediately preceding financial 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 pronouncement or clarification issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, 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.

49. *Any variation in the utilisation of the Net Proceeds as disclosed in the Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders' approval.*

We propose to utilise the Net Proceeds for partial repayment or pre-payment of the Consortium Loan. For further details of the proposed objects of the Issue, see the section "Objects of the Issue" on page 85. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in the Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to change the objects of the Issue, at a price and manner as may be prescribed by SEBI. SEBI has not yet prescribed any regulations in this regard and such regulations may contain onerous obligations. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting Shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

Risks relating to the Initial Public Offering and the Equity Shares

50. *The Equity Shares have never been publicly traded, and, after the Issue, 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 Issue Price, or at all.*

Prior to the Issue, 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 Issue. 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 Issue 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 and volatility in the Stock Exchanges and securities markets elsewhere in the world variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

51. *You will not be able to immediately sell any of the Equity Shares you subscribe to in this Issue on an*

Indian stock exchange.

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

The Equity Shares are proposed to be listed on the Indian Stock Exchanges. Further, pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and commence trading. Investors “book entry,” or “demat”, accounts with Depository Participants are expected to be credited within three Working Days of the date on which the Basis of Allotment is approved by the Designated Stock Exchange. Thereafter, upon receipt of final approval from the Designated Stock Exchange, trading in the Equity Shares is expected to commence within 12 Working Days from Bid/Issue Closing Date.

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

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

Any future equity issuances by our Company may lead to the dilution of investors’ shareholdings in our Company. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of this Issue, including by major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

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

Upon listing, the Equity Shares may be subject to a daily circuit breaker imposed on listed companies by the Indian Stock Exchanges which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breaker will be set by the Stock Exchanges based on certain factors such as the historical volatility in the price and trading volume of the Equity Shares. The BSE and the NSE are not required to inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. If imposed this circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot assure you that shareholders will be able to sell the Equity Shares at an acceptable price, or at all.

54. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Red Herring Prospectus.*

As stated in the reports of the Auditor included in this Red Herring Prospectus on pages 170 and 208, the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with

Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

- 55. *Public companies in India, including our Company, may be required to prepare financial statements under IFRS or IndAS (a variation of IFRS). The transition to IFRS or IndAS in India is very recent and still unclear and our Company may be negatively affected by such transition.***

The Company currently prepares its annual and interim financial statements under Indian GAAP. Public companies in India, including the Company, may be required to prepare annual and interim financial statements under Indian Accounting Standard 101 “First-time Adoption of Indian Accounting Standards (“IndAS”). On January 2, 2015, the Ministry of Corporate Affairs, Government of India (the “MCA”) announced the revised roadmap for the implementation of IndAS (on a voluntary as well as mandatory basis) for companies other than banking companies, insurance companies and non-banking finance companies through a press release (the “Press Release”).

The Press Release specifies that IndAS will be required to be implemented on a mandatory basis by companies whose securities are either listed or proposed to list, on any stock exchange in India or outside India, based on their respective net worth as set out below:

| Sr. No. | Net Worth | First Period of Reporting |
|---------|---------------------------|---|
| 1. | ₹ 5,000 million or more | FY commencing on or after April 1, 2016 |
| 2. | less than ₹ 5,000 million | FY commencing on or after April 1, 2017 |

In addition, any holding, subsidiary, joint venture or associate companies of the companies specified above shall also comply with such requirements from the respective periods specified above.

There is not yet a significant body of established practice on which to draw informing judgments regarding its implementation and application. Additionally, IndAS differs in certain respects from IFRS and therefore financial statements prepared under IndAS may be substantially different from financial statements prepared under IFRS. There can be no assurance that the Company’s financial condition, results of operations, cash flow or changes in shareholders’ equity will not be presented differently under IndAS than under Indian GAAP or IFRS. When our Company adopts IndAS reporting, it may encounter difficulties in the ongoing process of implementing and enhancing its management information systems. There can be no assurance that the adoption of IndAS by our Company will not adversely affect its results of operations or financial condition. Any failure to successfully adopt IndAS in accordance with the prescribed timelines may have an adverse effect on the financial position and results of operations of our Company.

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

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

- 57. *Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.***

In the past, Indian stock exchanges have experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and

liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of our Equity Shares could be adversely affected.

Prominent Notes:

- On April 27, 2010, the name of our Company was changed from Adlabs Entertainment Private Limited to Adlabs Entertainment Limited pursuant to a change in the nature of our Company from a private limited company to a public limited company. For further details in relation to the change in the name of our Company, see the section “History and Certain Corporate Matters” on page 137.
- Public Issue of 20,326,227 Equity Shares for cash at price of ₹ [●] (including a premium of ₹ [●]) aggregating to ₹ [●] million comprising of a Fresh Issue of 18,326,227 Equity Shares aggregating to ₹ [●] million by our Company and Offer of Sale of 2,000,000 Equity Shares aggregating to ₹ [●] million by the Selling Shareholder. The Issue will constitute 25.44% of the post-Issue paid-up Equity Share capital of our Company.
- Our Company has undertaken the Pre-IPO Placement post the filing of the DRHP, wherein on October 10, 2014, the Company allotted (i) 95 Equity Shares and 474,978 compulsorily convertible debentures of face value ₹ 1,000 each to NYLIM Jacob Ballas India Holdings IV; and (ii) 5 Equity Shares and 24,999 compulsorily convertible debentures of face value ₹ 1,000 each to Jacob Ballas Capital India Private Limited for an aggregate amount of ₹ 500.00 million. This investment was made pursuant to the investment agreement dated October 8, 2014 entered into among the Company, Promoters, NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited. On January 30, 2015, the 474,978 compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV were converted into 2,539,989 Equity Shares and the 24,999 compulsorily convertible debentures issued to Jacob Ballas Capital India Private Limited were converted into 133,684 Equity Shares.
- Our net worth was ₹ 2,600.16 million as on September 30, 2014, in accordance with our consolidated restated financial statements included in this Red Herring Prospectus. For details, see the section “Consolidated Financial Statements” on page 173.
- Our net asset value per Equity Share was ₹ 54.00 as at September 30, 2014, as per our consolidated restated financial statements.
- The average cost of acquisition of Equity Shares by our Promoters, Manmohan Shetty and Thrill Park is ₹ 227.99 and ₹ 67.07 per Equity Share, respectively.
- Except as disclosed in the sections “Our Group Companies” , “Consolidated Financial Statements-Statements of Related Parties and Related Party Transactions” and “Standalone Financial Statements-Statements of Related Parties and Related Party Transactions” on pages 164 and 206 and 253, respectively, none of our Group Companies have business interests or other interests in our Company.
- For details of related party transactions entered into by our Company with the Group Companies and other related parties during the last financial year and the six months ended September 30, 2014, the nature of transactions and the cumulative value of transactions, see the sections “Consolidated Financial Statements- Statements of Related Parties and Related Party Transactions” and “Standalone Financial Statements- Statements of Related Parties and Related Party Transactions” on pages 206 and 253, respectively.
- Our Company did not have any short term loans and advances given to related parties and it had no revenue from operations from related parties for the financial year 2014 and the six months ended September 30, 2014. Also, see the sections “Consolidated Financial Statements- Statements of Related Parties and Related Party Transactions” and “Standalone Financial Statements- Statements of Related Parties and Related Party Transactions” on pages 206 and 253, respectively.
- There have been no financing arrangements whereby our Promoter Group, the directors of our

Promoter Company, Directors and their relatives have financed the purchase by any other person of the Equity Shares other than in the normal course of our business during the period of six months immediately preceding the filing of this Red Herring Prospectus.

- Investors may contact the GCLMs for any complaints, information or clarification pertaining to the Issue. For further information regarding grievances in relation to the Issue, see the section “General Information” on page 61.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

In this section, we have included data relating to the Parks industry, both internationally and within India, and other statistics. This information is based on industry publications, published sources and other publicly available information, as well as our beliefs. We believe that the sources used are reliable. However, we cannot ensure the accuracy or completeness of underlying assumptions of this information, and none of our Company, the GCLMs or any other person connected with the Issue has independently verified this information. The industry information included in this section may moreover be prepared as of specific dates and may no longer be current or reflect current trends, or may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Investors should not place undue reliance on this industry information.

Unless noted otherwise, the information in this section is derived from the “Indian Amusement Parks Industry Report,” dated January 2015 (“IMaCS Report”), by ICRA Management Consulting Services Limited.

For the purposes of this section, “Parks” refer to amusement parks, including theme parks and water parks.

The Indian Economy

The outlook for the Indian economy has improved since the middle of 2013 when India struggled with current account and fiscal deficit, Rupee depreciation and high inflation. During 2014, improvements in the speed of project approvals by the Government and the liberalisation of foreign direct investment norms in certain sectors have led to an increase in economic growth in India.

Between April 1, 2014 and June 30, 2014, GDP growth increased to 5.7% in year-on-year terms from 4.6% in the previous two quarters. GDP growth for the financial year 2015 is expected to increase to 5.3% - 5.5% from 4.7% for the financial year 2014.

In the first quarter of the financial year 2015, service sector growth was 6.8%, which comprised a growth of 10.4% in the financing, insurance, real estate and business services segments and 9.1% in the community, social and personal services segments.

Consumption Pattern

Over the decade commencing 2015, the average household income is expected to triple. India’s household consumption spending represents 57% of GDP and is approximately two times greater than investment demand.

In 2012, the average expenditure of Indian households on consumer services, such as transport, housing, health, education, leisure, communication and hotels and catering, crossed 40% of private final consumption expenditure. The increase in per capita income of the growing middle class is leading to an increase in urbanisation. The urban population of India is expected to increase to 35% of the population in 2020 from 31% of the population in 2010.

The increasing Indian urban population is expected to lead to an increase in spending on discretionary areas and consumer services. Between 2010 and 2020, the average household income is expected to triple. A spend of 2% of annual household income on activities such as leisure, picnics and holidays, translates to spend of ₹ 5,000 per annum (for households with annual income of ₹ 0.25 million) to ₹ 20,000 per annum (for household with annual income of ₹ 1 million).

A combination of factors such as a growing middle class, rapid urbanisation and an increase in nuclear families in metropolitans which is also extending to smaller towns, is resulting in an increase in discretionary spending and consumer services such as healthcare, outdoor recreation, education, consumer durables and communication.

Rise in Tourism

Domestic tourism in India have shown a growth of 9.6% in 2013 over 2012. In 2013, the top five states for domestic tourists were Tamil Nadu, Uttar Pradesh, Andhra Pradesh, Karnataka and Maharashtra. The total number of foreign tourist arrivals in India in 2013 was 6.97 million, a 5.9% increase from 2012. In 2013, the top five states visited by foreign tourists were Maharashtra, Tamil Nadu, Delhi, Uttar Pradesh and Rajasthan.

Overview of the Global Parks Industry

There are more than 800 Parks in the world with annual attendance of over 600 million visitors per year. In the United States, there are more than 400 Parks, with annual attendance of approximately 300 million visitors. In Europe, there are approximately 330 Parks, with approximately 165 million visitors a year.

In 2012, the global Parks industry, in terms of revenue, was estimated at US\$28 billion. In 2015, this is expected to reach US\$29.5 billion and by 2017 it is expected to reach US\$32 billion. The Parks industry in regions such as North America and Europe is highly saturated and matured. The United States and Europe have dominated the industry since its inception. However, Asia now has nine of the top 25 amusement and theme parks in East Asia. The importance of Asia is expected to increase with opening of Shanghai Disney in 2015. Asia also has half of the top 20 water parks. In Asia, Japan and South Korea are showing signs of maturity and saturation whereas markets in India, Thailand, Singapore, Malaysia and Indonesia are still experiencing fast growth.

Growth Trends of Global Parks

Between 2007 and 2010, the Parks industry remained stagnant and exhibited marginal growth due to the global economic conditions. Since 2010, the Parks industry has started to grow. The industry in Asia is growing quickly with several new Parks being developed. The information below discusses the industry growth trends from 2007 to 2013:

Footfall. Global footfall increased by 4.3% to 214.7 million in 2013 from 205.9 million in 2012. Large format parks have visitors in excess of eight to nine million per year.

Five of the Parks among the top 25 Parks globally had an increase of over 10% attendance from the previous year. The overall increase in footfall is attributed to a recovery in the global economy, increased investment in rides and entertainment and the relevant location of the Parks. In 2013, major Parks in North America, Europe and Asia companies had a successful year. Attendance remained strong in Asia and North America, with attendance in Asia Pacific at 7.5% and North America at 2.7% growth. Attendance rates in Europe remained stable in 2013.

Ticket Prices. In 2014, ticket prices remained constant or increased marginally at Parks in the United States and Europe. In Asia, ticket prices experienced a higher increase.

Integrated Resorts. The concept of integrated resorts which include Parks, retail, hospitality, casinos and cultural facilities are becoming increasingly popular in Asia. This is in line with and a further development of what Parks in Europe and the United States have been offering. The new additions are based on a cross subsidisation model with large cash flows from casinos supporting cultural facilities, which have a lower cash flow.

Global Economy. The entertainment industry was affected by the economic downturn of 2008 which continued until 2010 in the United States and is still visible in Europe. Asia has shown the fastest growth in footfall for Parks. Several leading international and domestic operators have shown strong growth in 2013. The Asian markets, led by China and India, with growing economies and an expanding middle class are expected to be the high growth markets for the Parks industry in the medium to long-term.

Indian Parks Industry

The Indian Parks industry is in its nascent stage and is developing at a rapid pace. As of January 2015, there are approximately 150 Parks in India. With a population of over 1.21 billion people, the ratio of Parks to people is very small in India. In contrast, the United States has over 400 Parks with a population of approximately 313 million. Only 10.0% to 15.0% of the Parks in India are classified as large parks.

The size of the Indian Parks industry is estimated at ₹ 25 billion to ₹ 30 billion, in terms of revenue, with an estimated annual footfall of over 50 million, and the industry has grown between 20.0% and 25.0% over the last five years. The Parks industry in India is expected to grow to a total size of approximately ₹ 50 billion to ₹ 60 billion over the next five years, in terms of revenue.

Certain Key Features of the Indian Amusement Park Industry

Ticket Prices. Ticket prices in India are starting to increase to align with international pricing patterns. Most Parks in India offer a single pay ticket with some parks offering pay-as-you-go tickets as well. Ticket prices at

leading Parks range between ₹ 600 and ₹ 1,000 per adult.

Revenue Mix. International Parks typically generate around 50.0% of revenue from admission tickets. Indian Parks generate up to 75.0% to 80.0% of revenue from admission tickets. Due to an increase in disposable income, improving lifestyle and an increase in nuclear families, the in-park spending is expected to increase in the short to medium term.

Peripheral Infrastructure. Parks in India are still in the early stages of development. Most of the revenue for Indian Parks is attributable to admission tickets. Parks in Europe and the United States generate significant revenue from hotels, as trips to Parks tend to be considered as weekend getaways or holiday destinations. In India, the concept of a Park vacation is still not popular. The development of hotels around Parks in India may promote the concept of Park vacations.

Growth Drivers

The major growth drivers for the Parks industry in India include the following:

Urbanisation. As a result of rapid urbanisation, more people in India are looking for entertainment and leisure options.

Gross Domestic Product and Income Growth. More families are prepared to spend money on leisure activities. As the Indian economy grows and industry models in the United States and Europe are replicated, Parks will be able to market themselves as weekend getaways.

Increase in the Number of Nuclear Families. The number of nuclear households in India increased from 61.0% in 2006 to 66.0% in 2010. As a result, households are spending more on a per capita basis, which may also lead to an increase in discretionary spending.

Increase in Tourism. The increase in domestic tourism in India is a strong growth driver. Domestic vacations are becoming more appealing to the Indian population because of the increased exchange rate fluctuations associated with overseas travel and an increasing middle class population.

Investment Trends

Over the last five years, the Indian leisure industry is estimated to have increased between 20.0% and 25.0% in terms of overall revenue. Malls are the primary entertainment destinations in Indian cities. The top five malls by footfall recorded over 117 million visitors. Parks in India are well positioned to attract demand from this customer segment.

Barriers to Entry

Land Acquisition and Red Tape

One of the biggest challenges for new projects is land acquisition. Single window clearances are not easily available, thereby making the entry process cumbersome. Individual states have laid down directives in their tourism policy to provide support to projects, which will help in encouraging tourism.

Capital Intensive Business

Parks require regular investment in infrastructure and rides and attractions. Addition of rides and attractions is necessary for a Park to be able to sustain a growing footfall.

SUMMARY OF OUR BUSINESS

Overview

We own and operate, Imagica – The Theme Park, which is one of the leading theme parks in India. Our theme park features a diverse variety of rides and attractions of international standards, food and beverages (“F&B”) outlets and retail and merchandise shops, designed to appeal to a broad demography of the Indian populace, delivering memorable experiences, with a strong value proposition. Imagica – The Theme Park, is a part of Adlabs Mumbai, a ‘one-stop’ entertainment destination that we offer at this location. Adlabs Mumbai also includes Aquamagica, a water park, which became fully operational on October 1, 2014, and a family hotel, Novotel Imagica Khopoli, the first phase of which is expected to be completed by March 2015. Adlabs Mumbai, spread over an aggregate area of approximately 132 acres, is located at Khalapur, which is 74 kilometres from Mumbai, off the Mumbai – Pune Expressway.

Imagica – The Theme Park is a one-of-a-kind offering in India and currently has 25 rides and attractions, which are spread over six theme-based zones. Our marquee offerings include Rajasaurus River Adventure, a boat ride offering our guests a peek into the pre-historic habitats of dinosaurs, Wrath of the Gods, a VFX show based on an archaeological discovery of an ancient Indian civilisation, Nitro, which we believe is India’s largest roller coaster, I for India, a simulated helicopter ride over various sights and attractions across India and Mr. India – the Ride, a simulated ride based on the popular Bollywood movie, Mr. India. We also offer entertainment through live performances by acrobats, magicians, dancers, musicians and other artists throughout the day in various parts of our theme park.

In Imagica – The Theme Park, we own and operate an array of F&B outlets, including Roberto’s Food Coaster, a multi-cuisine food court, which also has a separate Jain restaurant, Red Bonnet, an American diner-styled restaurant, Imagica Capital, an Indian buffet restaurant which serves cuisines from across the country, Zeze, a bar and grill which is designed as an African Zulu village and Arrmada, a cafe and bar modelled as a ship, which offers panoramic views of the entire theme park, as well as several kiosks spread across the theme park. Our retail and merchandise offerings provide our guests an opportunity to memorialise their experiences at the theme park by purchasing products such as toys, apparel, bags, caps and commemorative mementos and photographs, which carry the ‘Imagica’ brand or are based on one of the rides or attractions in our theme park. We also retail candies, chocolates and other utilities such as hats and sunglasses. While we largely retail through our six stores and several kiosks inside our theme park, we have recently launched our products on ours as well as third party websites and intend to expand the sales and distribution network of our retail and merchandise operations.

Imagica – The Theme Park, became fully operational on November 1, 2013. For a period of approximately six months prior to November 1, 2013, some of the rides and attractions in our theme park were open to the public. The total number of guests hosted at our theme park for the twelve months ended December 31, 2014 was 912,061. We hosted 11,933 guests on December 20, 2013, the highest number of guests hosted by us in a day since our theme park became fully operational.

Aquamagica, our water park located adjacent to our theme park, became fully operational on October 1, 2014. For a period of six days prior to October 1, 2014, some of the rides and attractions in our water park were open to the public. It offers 14 kinds of water slides and wave pools, including: Zip Zap Zoom, a high-speed mat racer that moves through enclosed looping aqua tubes, Loopy Woopy, a ride that comprises a launch capsule which is controlled by a trap door, leading to a steep vertical drop of 72 feet, Screamer, which offers a series of twists, turns and oscillations through “rattles” which change shape in alignment with the different lengths of cylinders, and Twisty Turvy, a water coaster with drops and curves. It also offers water-based entertainment such as a beach front, waterfalls, cabanas and comprises separate family play areas, kids play zones and toddlers play equipment. Our water park has a separate admission ticket and a separate entrance from our theme park.

Our objective is to take advantage of cross selling opportunities offered by these two different entertainment experiences. We intend to position Aquamagica as a destination for young party-goers and host Bollywood and electronic dance music events where popular Indian and international artists and DJs perform at our ‘#gowiththeflow’ weekend events. For the period commencing on September 25, 2014, when some of the rides and attractions were open to the public, up to December 31, 2014, the total number of guests hosted at our water park was 90,940.

In Aquamagica, our F&B offerings are primarily designed as ‘grab and go’ options, which we believe caters to the preferences of customers enjoying water-based entertainment in the park. In addition to a Ammos, a street-

styled, dine-in, multi-cuisine food court, our other outlets include Sun Beatz – Pizzeria, Labanese & Bar, located next to the wave pool, Red Bonet Express, a classic quick-service American Diner, Cones, which offers a variety of ice-creams and sundaes, Sandy Sipss, which offers juices, shakes and smoothies and Salty's – Snacks & Rolls, which offers a range of rolls which can be picked up on-the-go. We also have a variety of self-serving kiosks with a diverse range of express meals, including burgers, pizzas, Greek and Lebanese wraps and rolls, hot dogs and Mumbai street food. Our retail and merchandise operations inside our water park are primarily structured to offer a variety of swimwear and beachwear options to our guests, including an Aquamagica-branded line of swimwear across various price points and a range of women's clothing. We also offer utility products and toys that our guests are likely to use in a water park.

The first phase of our proposed 287 key hotel, to be called Novotel Imagica Khopoli, comprising 116 keys, is expected to be completed by March 2015 and will include facilities such as banquet halls, conference rooms, specialty restaurants, a gourmet bar, recreation areas, a swimming pool, a spa, a kids' activity centre and a fitness centre to cater to varying entertainment requirements of our guests. We have entered into a hotel management agreement with AAPC India Hotel Management Private Limited ("AAPC"), a company belonging to the Accor Group, which operates several global hotel chains, to manage and operate our hotel, under the name Novotel Imagica Khopoli. We have also entered into a hotel consultancy service agreement with AAPC for certain consultancy and designing services.

We have also entered into a memorandum of understanding with ACME Entertainment, which will conceptualize, construct, install, erect and run on a build, own, operate and transfer basis, a snow park at Adlabs Mumbai and share a portion of ticket sales for the snow park with us. With addition of the water park, the soon-to-be-launched hotel and the snow park, we believe we will be able to enhance guest experience at Adlabs Mumbai and position Adlabs Mumbai as a wholesome entertainment destination.

Our promoter, Mr. Manmohan Shetty, has more than three decades of experience in the Indian media and entertainment industry. Mr. Shetty is the former promoter of Adlabs Films Limited, one of India's largest entertainment companies.

For the financial year ended March 31, 2014, our total income and our loss after tax was ₹ 1,069.18 million and ₹ 524.82 million, respectively. Our revenue from the sale of admission tickets, which was for a period of five months from November 1, 2013 (when our theme park became fully operational) to March 31, 2014, from our F&B operations and from our retail and merchandise operations was ₹ 712.88 million, ₹ 240.21 million and ₹ 63.82 million, respectively. For the six months ended September 30, 2014, our total income and our loss after tax was ₹ 733.25 million and ₹ 535.29 million, respectively. Our revenue from the sale of admission tickets, from our F&B operations and from our retail and merchandise operations for the six months ended September 30, 2014 was ₹ 553.82 million, ₹ 119.80 million and ₹ 38.86 million, respectively.

Our Competitive Strengths

Our primary competitive strengths are set out below:

Uniquely Positioned to Capitalise on the Increasing Propensity of Indians to Spend on Entertainment

Favourable macroeconomic and demographic factors such as economic growth, rising disposable income, a growing young population, an expanding middle class and rapid urbanisation have resulted in the Indian population spending more on entertainment. With the rise in education levels and exposure to international trends, Indian consumers are willing to pay a premium for quality entertainment. We believe that a well-executed parks project will cater to the growing interest in quality entertainment.

Adlabs Mumbai has been designed to provide a wholesome, day-long and 'value for money' entertainment option for guests. We offer entertainment options for all age groups through a variety of rides and attractions, which we believe are comparable to and provide the international standards of experience that leading theme parks and water parks offer globally. Our offerings are also customised to Indian tastes. This positions Adlabs Mumbai to capitalise on the increasing number of Indian customers spending on good-quality entertainment. Further, our ability to provide quality entertainment at one destination will be enhanced with the launch of our hotel and the snow park, enabling us to attract more guests.

Strategically Located in an Attractive Catchment Area

Adlabs Mumbai is located off the Mumbai – Pune Expressway. Currently, we attract guests primarily from Mumbai, Pune and the rest of Maharashtra and Gujarat, which are some of the more economically developed areas in India. For example, the per capita income of Mumbai and Pune was ₹ 152,000 and ₹ 141,000, respectively, which are significantly higher than the national average. (Source: *Indian Amusement Parks Industry Report, dated January 2015, by ICRA Management Consulting Services Limited and The World Bank, available at: <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD>*) Mumbai is the most populous city in India and one of the most populous cities in the world. Along with the neighbouring urban areas such as Navi Mumbai and Thane, it is one of the most populous urban regions in the world. Mumbai and Pune also have a large student and youth population and benefit from a large number of domestic and international tourists. In addition, with a large base of corporates in this region, we have the ability to market Adlabs Mumbai as a venue for meetings, off-sites and other corporate events.

We also have the ability to attract pan-India guests due to the proximity and the connectivity of Adlabs Mumbai to Mumbai and Pune through the Mumbai – Pune Expressway. Adlabs Mumbai is 46 kilometres from Panvel, Navi Mumbai and is one to two hours drive from most suburbs of Mumbai and from Pune, making it easily accessible for guests from Mumbai, Pune and the rest of Maharashtra and for other tourists accessing our parks through one of these cities. Mumbai is well connected to other large cities in India by air, road and rail with multiple flight options in a day. In addition, Lonavala, which is 25 kilometres away from Adlabs Mumbai, is a very popular weekend destination for the customer base in this region and we believe that we will be able to attract many of such travellers to Adlabs Mumbai.

Further, Adlabs Mumbai is located in an area that experiences suitable weather throughout the year to spend a day outdoors. In addition, the majority of our rides, attractions and queuing and waiting areas in our parks are covered to avoid any inconvenience during the monsoon season.

Rides and Attractions of International Quality Standards which are Customised to Indian Tastes and Preferences

Our parks are attractively themed and deliver high-quality entertainment, aesthetic appeal, shopping and dining options. Our theme park rides and attractions, such as our popular attractions, Wrath of the Gods, I for India and Mr. India – the Ride, have been designed in accordance with international quality standards and customised to appeal to the tastes and preferences of Indian customers. Our water-park rides and attractions are designed to cater to the requirements of thrill-seekers based on a ‘#gowiththeflow’ theme. We believe that we have a large number of rides and attractions of various genres to keep our guests from different age groups and with varying tastes and preferences engaged for an entire day. Our offerings include, high-speed roller coasters, VFX shows for an enhanced visual experience, indoor attractions such as a 360 degrees cinema, a number of rides for children, a thrill based vertical-drop for young adults and mythology based immersive experiences consisting of live theatre, special effects and multimedia presentations for the entire family. Our water-park offerings include a 72-foot plunge in water, several kinds of slides and a wave pool.

We engaged Peter Smulders of Attractions International, an internationally acclaimed design consultant for entertainment destinations, to conceptualise and design our theme park. The rides and attractions for our theme park have been designed by and sourced from global industry leaders such as Bolliger & Mabillard Inc., Zamperla Asia Pacific Inc., Sally Industries Inc., E2M Technologies B.V. and Santec Fabricators (India) Private Limited, which is a part of the Sanderson Group. The water slides and equipment in our water park have been sourced from global industry leaders such as Whitewater West Industries Limited, Neptune Benson (Defender Water Filtration Systems) and Polin Dis Tic. Ltd. Sti. Our consultants and vendors have worked with many of the leading theme and water parks across the world, thus allowing us to leverage their expertise in customising or creating the rides and attractions of international quality standards for Indian requirements. Our theme park rides and attractions which are based on Indian mythology, Bollywood and other popular themes, allow us to develop an emotional connect with our guests. We also follow high levels of park security and safety standards to offer a safe and injury free environment for our guests to enjoy the parks.

Competitive Advantage through Entry Barriers

We believe that we have the ability to leverage the ‘first-mover advantage’ through Adlabs Mumbai. There are significant barriers to entry into the business of theme and water parks in India and it is difficult to replicate a project of similar scale and size in our catchment area. Among the most important of these barriers is the need for significant capital expenditure to set up theme and water parks, the difficulty to identify and purchase large

and suitable parcels of land on commercially viable terms and the long lead-time from the conceptualisation to the launch of rides and attractions. We believe that our location off the Mumbai – Pune Expressway, the large parcel of land owned by us, our rides and attractions of international quality and standards and our qualified management and operations team provide us with a significant competitive advantage over any new park in this region. In addition, we believe that through the various rides and attractions we have developed at Imagica – The Theme Park, we have created our own intellectual property and know-how, such as our popular attractions, Mr. India – The Ride, I for India and Wrath of the Gods that further enhances the barriers of entry for our competitors.

Well-positioned Brand and Marketing Focus

In our short operational history, we believe that we have been able to establish brand recognition in Mumbai, Pune and the rest of Maharashtra and Gujarat markets. We believe that we have been able to achieve this through a combination of factors:

- Delivering superior visitor experiences in our parks through our diverse offerings of rides and attractions and other entertainment options and thus, developing a brand recall through word of mouth publicity. We have also actively focused on attracting school groups as we believe that school children who visit our parks act as our brand ambassadors and have the potential of bringing the entire family back on another visit;
- Dynamic and attractive pricing strategy to coincide with various events, festivals, seasons and holidays throughout the year;
- Existing well-established position of the ‘Adlabs’ brand in the media and entertainment industry; and
- Engaging with various target groups through focused marketing, consisting of regular electronic, print and digital media campaigns and direct sales efforts.

Proven and Experienced Management Team and Execution Strength

Our senior management team, led by Manmohan Shetty, includes experienced media and entertainment, marketing and consumer businesses executives, with an average tenure of more than 15 years in such industries. Mr. Manmohan Shetty is a well known entrepreneur in the media and entertainment business in India and has more than three decades of experience in consumer-facing entertainment businesses. He has also served on key industry bodies in India, including as the Chairman of the National Film Development Corporation, set up by the Government of India to promote cinema and he has also been the President of the Film and Television Producers Guild of India. During Mr. Shetty’s association, Adlabs Films Limited launched many innovations in the Indian film exhibition business, such as multiplexes, the IMAX theatre and digital cinema business.

Our parks operations team comprises highly skilled and dedicated employees with wide ranging experience in operations, product development, business development and marketing. Our Chief Operating Officer, Vincent Pijnenburg is an experienced theme park executive with more than two decades of experience with small, medium and large sized parks and family entertainment centres across the globe. Through the experience and leadership of our management team we were able to complete the development of our parks in a timely manner and within the estimated project cost. We believe that we will be able to leverage this experience in the ongoing development of our hotel and the development of additional entertainment destinations in other locations.

Our Business Strategies

We aim to establish theme-based entertainment destinations of international standards across India through the following primary business strategies:

Develop Adlabs Mumbai as an Integrated Holiday Destination

Currently, a significant majority of our guests are residents of our catchment area, Mumbai, Pune, rest of Maharashtra and Gujarat who make day-trips to our theme park off the Mumbai – Pune Expressway. With the launch of our water park and our hotel, we intend to market Adlabs Mumbai as a multiple day holiday destination and attract guests for a longer stay. We also intend to exploit the proximity of Adlabs Mumbai to Lonavala and Khandala, which are popular hill stations, to attract tourists. We intend to offer various cost promotion and combination packages of admission tickets to our parks and stay at our hotel to take advantage of cross selling opportunities. In addition, we aim to market our facilities as a suitable venue for hosting wedding

receptions, parties, conferences and meetings and other corporate events. We have entered into a memorandum of understanding for the development of an adventure-course tower, adjacent to our hotel as an additional entertainment option for guests making a multi-day trip to our parks. Further, we have also entered into a memorandum of understanding with ACME Entertainment for the development of a snow park at Adlabs Mumbai.

Continue to Focus on Increasing the Number of Guests Hosted at our Parks

We plan to increase attendance at our parks through the following strategies:

- Increasing awareness of our parks and our ‘Adlabs’, ‘Imagica’ and ‘Aquamagica’ brands through effective media and marketing campaigns, aimed at various target groups including families, young kids, college students and young professionals. We will also continue to reach out to a greater number of schools and corporates for increasing attendance at our parks;
- Offering a variety of ticket options and disciplined pricing and promotional strategies to coincide with events and holidays throughout the year. We also aim to follow a dynamic pricing model which will enable us to adjust admission prices for our parks based on expected demand and attract diverse segments of our customer base;
- By periodically introducing new attractions, differentiating experiences and enhancing service offerings. We believe that word of mouth is our most important marketing tool and, therefore, our primary business objective is to make the time spent by the guests in our parks as enjoyable as possible. We specifically focus on entrance and security procedures, queue management, cleanliness, quick availability of F&B products and retail merchandise to make the guests’ experiences as comfortable and entertaining as possible; and
- Focusing on sales and marketing initiatives in the secondary catchment areas, such as our print campaign from time to time in major cities like Delhi NCR, Bangalore, Hyderabad and Jaipur, to attract tourists visiting the Mumbai – Pune region.

Diversify our Revenue Streams

Sales of admission tickets comprised a significant portion of our total income for the financial year 2014 (income from the sale of admission ticket commenced on November 1, 2013) and the six months period September 30, 2014. We intend to increase our non-ticketing revenue through the following strategies:

- Focus on F&B and retail and merchandise operations by targeting the per capita spending of our guests. We believe that by providing our guests additional and enhanced offerings at various price points, we can increase spending in our parks. We will continue to innovate in our F&B offerings to cater to the diverse preferences of our guests. For example, we recently started a Jain food restaurant and also initiated the sale of alcoholic beverages in our theme park;
- Monetise the crowd movement in our parks by offering sponsorship opportunities to advertisers for special events, naming rights for our rides and attractions, partnering in destination advertising and assisting in products and brand activations;
- With the completion of our hotel, we intend to position Adlabs Mumbai as a destination for varying customer requirements, including for entertainment, corporate meetings and off-sites and other events;
- Promote Adlabs Mumbai as a venue for destination weddings with a variety of themes; and
- Aim to develop an emotional connect with our guests through our brands and characters developed by us, which we believe will provide us with opportunities to leverage our intellectual property portfolio, and to develop new media and entertainment options and to increase the sale of consumer products, in and outside Adlabs Mumbai.

Increase Profitability and Achieve Cost Optimisation

We believe that increased attendance at our parks and an increase in the per capita spending will allow us to make our business more profitable because of the relatively fixed cost-base and the high operative leverage involved in our business. We will continue to focus on F&B and retail and merchandise spending to improve

our operating margins. With the commencement of operations of our water park and the soon-to-be-launched hotel, we will be able to offer more dynamic pricing to account for seasonal fluctuations in attendance. We also aim to achieve better cost optimisation through economies of scale by measures such as company-wide and centralised procurement and sourcing strategy and integrated marketing campaigns. In addition, we aim to benefit from shared services such as security, ticketing, F&B and general administration of our parks.

Expand our Existing Operations and Foray into New Geographies in India

In addition to the ongoing development of our hotel, we aim to pursue other expansion opportunities at our parks. We intend to add three to four rides and attractions over the next five years, including one major ride or attraction every two years, at our parks. We intend to use the existing areas available inside our parks for these new rides and attractions.

We also intend to set up integrated holiday destinations in other locations in India, either through parks owned and operated by us or through a partnership or a franchise model. We have identified Hyderabad as a new location to develop a new theme park and we are currently in the process of preparing a project development plan. We will continue to seek to place our theme parks and water parks near each other, which will allow us to operate with reduced overhead costs and create cross selling opportunities.

Further, we have also entered into a memorandum of understanding, dated July 1, 2013, for the purpose of submitting bids to set up tourism-related projects in Gujarat.

SUMMARY OF FINANCIAL INFORMATION

SUMMARY OF RESTATED CONSOLIDATED FINANCIAL STATEMENT

The following tables set forth summary financial information derived from the consolidated audited financial statements of our Company, prepared in accordance with Indian GAAP and the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations, as of and for the six months ended September 30, 2014.

The financial statements referred to above are presented under the section “Consolidated Financial Statements” on page 170. The summary financial information presented below should be read in conjunction with these financial statements, the notes thereto and the sections “Consolidated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 170 and 262, respectively.

RESTATED CONSOLIDATED FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

| | | <i>Rs. in million</i> |
|----------|--|-----------------------|
| | Particulars | As at Sept 30, 2014 |
| A | Non-current assets | |
| | Fixed assets | |
| | Tangible assets | 12,626.00 |
| | Intangible assets | 85.64 |
| | Capital work-in-progress | 1,961.68 |
| | Deferred tax assets (net) | 470.42 |
| | Long-term loans and advances | 101.57 |
| | | 15,245.31 |
| B | Current assets | |
| | Inventories | 93.34 |
| | Trade receivables | 71.99 |
| | Cash and bank balances | 199.58 |
| | Short-term loans and advances | 11.82 |
| | Other current assets | 341.44 |
| | | 718.17 |
| C | Total assets (C= A + B) | 15,963.48 |
| D | Non-current liabilities | |
| | Long-term borrowings | 12,044.09 |
| | Long-term provisions | 20.60 |
| | | 12,064.69 |
| E | Current liabilities | |
| | Short-term borrowings | 570.1 |
| | Trade payables | 180.14 |
| | Other current liabilities | 545.16 |
| | Short-term provisions | 3.23 |
| | | 1,298.63 |
| F | Total liabilities (F= D + E) | 13,363.32 |
| G | Share issue expenses (to the extent not written off or adjusted) | - |
| H | Share Application money | - |
| | Net Worth (C - F - G - H) | 2,600.16 |
| I | Net worth represented by shareholders’ funds | |
| | Share capital | |
| | Equity share capital | 484.63 |

| | Particulars | As at Sept 30, 2014 |
|----------|--|---------------------|
| | Total Share capital | 484.63 |
| | | |
| J | Reserves and surplus | |
| | Securities premium account | 3,199.97 |
| | Net surplus/(deficit) in the statement of profit and loss | (1084.44) |
| | | |
| | Total Reserves and surplus | 2,115.53 |
| | | |
| K | Share issue expenses (to the extent not written off or adjusted) | - |
| | | |
| | Net Worth (I + J - K) | 2,600.16 |

RESTATED CONSOLIDATED FINANCIAL STATEMENT OF PROFITS AND LOSSES

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
|---|--|
| Income from continuing operations | |
| Revenue from operations | |
| Income from Sale of Product | 712.48 |
| Income from Sale of Service | 9.20 |
| Other income | 11.57 |
| Total revenue | 733.25 |
| Expenses | |
| Cost of Material consumed | 38.74 |
| Purchase of Trading goods -Merchandise | 34.87 |
| Increase/(Decrease) in Inventories | (16.64) |
| Personnel expense | 204.91 |
| Other operating expenses | 425.73 |
| Total expenses | 687.61 |
| Restated Profit/(Loss) before depreciation, Interest, tax and exceptional items from continuing operations | 45.64 |
| Depreciation and Amortisation expense | 367.78 |
| Interest & Finance cost | 540.10 |
| Restated profit before tax and exceptional items from continuing operations | (862.24) |
| Tax expense/(income) | |
| Current tax | - |
| Deferred tax | 326.95 |
| Total tax expense | 326.95 |
| Restated profit for the period/year | (535.29) |

| Name of the entity | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | |
|--|--|--------|---------------------------------------|--------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or (loss) | Amount |
| 1 | 2 | 3 | 4 | 5 |
| Subsidiary Company Indian 1.WalkWater Properties Pvt Ltd | (0.14%) | (3.53) | 0.02% | (0.10) |

RESTATED CONSOLIDATED FINANCIAL STATEMENT OF CASH FLOWS

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
|--|---|
| A. CASH FLOW FROM OPERATING ACTIVITIES | |
| Profit before taxation from continuing operations (as restated) | (862.24) |
| Profit before taxation (as restated) | (862.24) |
| Non cash adjustments to reconcile profit before tax to net cash flows | |
| Depreciation and amortisation expense | 367.78 |
| Interest income | (2.90) |
| Interest Expense | 540.10 |
| Operating profit before working capital changes (as restated) | 42.74 |
| Movements in Working Capital | |
| (Increase)/decrease in Inventories | (43.85) |
| (Increase)/decrease in trade receivables | (65.66) |
| (Increase)/decrease in Other Current Assets | 63.66 |
| Increase/(decrease) in Trade Payable | 33.31 |
| Increase/(decrease) in Other Current Liabilities | 218.49 |
| Increase/(decrease) in Short Term Provision | 2.67 |
| Increase/(decrease) in Long Term Provision | 5.16 |
| Cash flow from operations | 256.52 |
| Direct taxes paid (net of refunds) | (2.58) |
| Net cash generated from operating activities (A) | 253.94 |
| B. CASH FLOW USED IN INVESTING ACTIVITIES | |
| Purchase of fixed assets, including intangible assets, capital work in progress and capital advances | (1083.40) |
| Purchase of Non Current Investment | (0.10) |
| Interest | 2.90 |
| Net cash used in investing activities (B) | (1,080.60) |
| C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES | |
| Proceed from Long term borrowings taken | 1,160.25 |
| Proceed from Short term borrowings taken | 50.10 |
| Interest expense and Borrowing cost paid | (540.10) |
| Net cash generated from/(used in) financing activities (C) | 670.25 |
| Net increase/(decrease) in cash and cash equivalents (A +B+C) | (156.41) |
| Cash and cash equivalents at the beginning of the period/year | 355.99 |
| Total Cash and cash equivalents at the end of the period/year | 199.58 |

| Components of Cash and Cash Equivalents | For the period Apr 1, 2014 to Sep 30, 2014 |
|--|---|
| Cash on hand | 27.36 |
| Balance with scheduled banks: | |
| Current account | 111.66 |
| FD with Bank | 47.15 |
| Liquid fund Investment | 13.41 |
| Total | 199.58 |

SUMMARY OF RESTATED STANDALONE FINANCIAL STATEMENT

The following tables set forth summary financial information derived from the audited financial statements of our Company and prepared in accordance with Indian GAAP and the Companies Act, 1956 and the Companies Act, 2013, as applicable and restated in accordance with the SEBI ICDR Regulations, as of and for the six months ended September 30, 2014, as of and for the year ended March 31, 2014, 2013, 2012 and 2011 and as of and for the period ended March 31, 2010.

The financial statements referred to above are presented under the section “Standalone Financial Statements” on page 208. The summary financial information presented below should be read in conjunction with these financial statements, the notes thereto and the sections “Standalone Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 208 and 262, respectively.

RESTATED STANDALONE FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

Rs. in million

| | Particulars | As at | | | | | |
|----------|--|------------------|------------------|------------------|-----------------|-----------------|-----------------|
| | | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| A | Non-current assets | | | | | | |
| | Fixed assets | | | | | | |
| | Tangible assets | 12,621.86 | 12,870.41 | 2,475.69 | 2,304.55 | 2,266.92 | 2,241.45 |
| | Intangible assets | 72.66 | 73.33 | 4.39 | - | - | - |
| | Capital work-in-progress | 1,961.68 | 1,000.89 | 8,189.48 | 1,462.20 | 440.79 | 179.25 |
| | Non-current Investment | 4.15 | - | - | - | - | - |
| | Deferred tax assets (net) | 470.42 | 143.47 | 7.43 | - | - | - |
| | Long-term loans and advances | 106.97 | 103.57 | 103.07 | 68.80 | 77.05 | 69.06 |
| | Other non-current assets | - | - | - | - | 3.64 | 3.29 |
| | | 15,237.74 | 14,191.67 | 10,780.06 | 3,835.55 | 2,788.40 | 2,493.05 |
| B | Current assets | | | | | | |
| | Inventories | 93.34 | 49.49 | - | - | - | - |
| | Trade receivables | 71.99 | 6.33 | - | - | - | - |
| | Cash and bank balances | 190.90 | 355.77 | 297.41 | 61.90 | 65.30 | 5.74 |
| | Short-term loans and advances | - | - | - | - | - | 0.14 |
| | Other current assets | 296.44 | 399.10 | 464.57 | 777.38 | 2.39 | 0.35 |
| | | 652.67 | 810.69 | 761.98 | 839.28 | 67.69 | 6.23 |
| C | Total assets (C= A + B) | 15890.41 | 15002.36 | 11,542.04 | 4,674.83 | 2,856.09 | 2,499.28 |
| D | Non-current liabilities | | | | | | |
| | Long-term borrowings | 12,044.09 | 10,880.44 | 7,311.03 | 30.71 | - | - |
| | Long-term provisions | 20.60 | 15.45 | 10.39 | 0.96 | - | - |
| | | 12,064.69 | 10,895.89 | 7,321.42 | 31.67 | - | - |
| E | Current liabilities | | | | | | |
| | Short-term borrowings | 520.00 | 520.00 | 570.00 | 1,950.13 | 454.90 | 232.38 |
| | Trade payables | 180.14 | 146.86 | 8.53 | 2.13 | 0.53 | 2.99 |
| | Other current liabilities | 522.09 | 303.60 | 548.69 | 183.17 | 109.99 | 352.36 |
| | Short-term provisions | 3.23 | 0.56 | 3.13 | 4.42 | 2.17 | - |
| | | 1,225.46 | 971.02 | 1,130.35 | 2,139.85 | 567.59 | 587.73 |
| F | Total liabilities (F= D + E) | 13,290.15 | 11,866.91 | 8,451.77 | 2,171.52 | 567.59 | 587.73 |
| G | Share issue expenses (to the extent not written off or adjusted) | - | - | - | - | 3.64 | 3.28 |
| H | Share Application money | - | - | - | - | 57.55 | 33.50 |
| | Net Worth (C - F - G - H) | 2,600.26 | 3135.45 | 3,090.27 | 2,503.31 | 2,227.31 | 1,874.77 |

| | Particulars | As at | | | | | |
|----------|--|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| I | Net worth represented by shareholders' funds | | | | | | |
| | Share capital | | | | | | |
| | Equity share capital | 484.63 | 484.63 | 458.72 | 419.17 | 372.68 | 313.84 |
| | Total Share capital | 484.63 | 484.63 | 458.72 | 419.17 | 372.68 | 313.84 |
| | | | | | | | |
| J | Reserves and surplus | | | | | | |
| | Securities premium account | 3,199.97 | 3,199.97 | 2,655.88 | 2,090.83 | 1,858.38 | 1,564.21 |
| | Net surplus/(deficit) in the statement of profit and loss | (1084.34) | (549.15) | (24.33) | (6.69) | (0.11) | - |
| | Total Reserves and surplus | 2,115.63 | 2,650.82 | 2,631.55 | 2,084.14 | 1,858.27 | 1,564.21 |
| | | | | | | | |
| K | Share issue expenses (to the extent not written off or adjusted) | - | - | - | - | 3.64 | 3.28 |
| | | | | | | | |
| | Net Worth (I + J - K) | 2,600.26 | 3,135.45 | 3,090.27 | 2,503.31 | 2,227.31 | 1,874.77 |

RESTATED STANDALONE FINANCIAL STATEMENT OF PROFITS AND LOSSES

| | | | | | | | <i>Rs. in million</i> |
|---|--|--------------------|----------------|---------------|---------------|---|-----------------------|
| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 | |
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | | |
| Income from continuing operations | | | | | | | |
| Revenue from operations | | | | | | | |
| Income from Sale of Product | 712.48 | 1,016.91 | - | - | - | - | - |
| Income from Sale of Service | 9.20 | 20.16 | - | - | - | - | - |
| Other income | 11.57 | 32.11 | 35.57 | - | - | - | - |
| Total revenue | 733.25 | 1,069.18 | 35.57 | - | - | - | - |
| Expenses | | | | | | | |
| Cost of Material consumed | 38.74 | 70.59 | - | - | - | - | - |
| Purchase of Trading goods -Merchandise | 34.87 | 43.06 | - | - | - | - | - |
| Increase/(Decrease) in Inventories | (16.64) | (10.58) | - | - | - | - | - |
| Personnel expense | 204.91 | 200.05 | 33.43 | - | - | - | - |
| Other operating expenses | 425.72 | 696.40 | 27.10 | 5.82 | 0.11 | - | - |
| Total expenses | 687.60 | 999.52 | 60.53 | 5.82 | 0.11 | - | - |
| Restated Profit/(Loss) before depreciation, Interest, tax and exceptional items from continuing operations | 45.65 | 69.66 | (24.96) | (5.82) | (0.11) | - | - |
| Depreciation and Amortisation expense | 367.69 | 305.21 | 0.11 | - | - | - | - |
| Interest & Finance cost | 540.10 | 425.33 | - | - | - | - | - |
| Restated profit before tax and exceptional items from continuing operations | (862.14) | (660.88) | (25.07) | (5.82) | (0.11) | - | - |
| Tax expense/(income) | | | | | | | |
| Current tax | - | - | - | (0.76) | - | - | - |
| Deferred tax | 326.95 | 136.06 | 7.43 | - | - | - | - |
| Excess Provision for tax | - | - | - | - | - | - | - |
| Total tax expense | 326.95 | 136.06 | 7.43 | (0.76) | - | - | - |

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|-------------------------------------|--|--------------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Restated profit for the period/year | (535.19) | (524.82) | (17.64) | (6.58) | (0.11) | - |

RESTATED STANDALONE FINANCIAL STATEMENT OF CASH FLOWS

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|--|--|--------------------|----------------|---------------|----------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | | | |
| Profit before taxation from continuing operations (as restated) | (862.14) | (660.88) | (25.07) | (5.82) | (0.11) | - |
| Profit before taxation from dis-continuing operations (as restated) | - | - | - | - | - | - |
| Profit before taxation (as restated) | (862.14) | (660.88) | (25.07) | (5.82) | (0.11) | - |
| Non cash adjustments to reconcile profit before tax to net cash flows | | | | | | |
| Depreciation and amortisation expense | 367.69 | 305.18 | 0.11 | - | - | - |
| Preliminary Expense W/off | - | - | - | 3.64 | - | - |
| Stamp duty W/off | - | - | 0.48 | 0.89 | - | - |
| Office Expense W/off | - | - | - | 0.06 | - | - |
| Interest income | (2.90) | (4.26) | - | - | - | - |
| Interest Expense | 540.10 | 425.33 | - | - | - | - |
| Operating profit before working capital changes (as restated) | 42.75 | 65.37 | (24.48) | (1.23) | (0.11) | - |
| Movements in Working Capital | | | | | | |
| (Increase)/decrease in Inventories | (43.85) | (49.49) | - | - | - | - |
| (Increase)/decrease in trade receivables | (65.66) | (6.33) | - | - | - | - |
| (Increase)/decrease in Short Term Loan and Advance | - | - | - | - | 0.14 | 0.06 |
| (Increase)/decrease in Other Current Assets | 105.24 | 67.96 | 312.67 | (775.88) | (2.02) | *(0.00) |
| (Increase)/decrease in long-term loans and advances | - | - | (34.27) | 8.24 | (7.98) | (0.90) |
| Increase/(decrease) in Short Term Borrowing | - | - | - | 1,495.22 | 222.53 | - |
| Increase/(decrease) in Trade Payable | 33.28 | 138.34 | 6.40 | 1.60 | (2.47) | 14.93 |
| Increase/(decrease) in Other Current Liabilities | 218.49 | (245.09) | 365.52 | 73.18 | (242.37) | (31.47) |
| Increase/(decrease) in Short Term Provision | 2.67 | (2.57) | (1.29) | 1.71 | 2.18 | - |
| Increase/(decrease) in Long Term Provision | 5.16 | 5.06 | 9.43 | 0.97 | - | - |
| Cash flow from operations | 298.08 | (26.75) | 633.98 | 803.81 | (30.10) | (17.38) |
| Direct taxes paid (net of refunds) | (2.58) | (2.49) | (0.35) | (0.22) | (0.02) | - |
| Net cash generated from operating activities (A) | 295.50 | (29.24) | 633.63 | 803.59 | (30.12) | (17.38) |
| B. CASH FLOW USED IN | | | | | | |

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|--|--|--------------------|-------------------|-------------------|-----------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| INVESTING ACTIVITIES | | | | | | |
| Purchase of fixed assets, including intangible assets, capital work in progress and capital advances | (1083.31) | (3580.24) | (6,902.92) | (1,059.10) | (287.01) | (41.16) |
| Purchase of Non Current Investment | (0.10) | - | - | - | - | - |
| Interest | 2.90 | 4.26 | 3.47 | 2.31 | - | - |
| Transfer to CWIP | - | - | (3.47) | (2.31) | - | - |
| Net cash used in investing activities (B) | (1,080.51) | (3,575.98) | (6,902.92) | (1,059.10) | (287.01) | (41.16) |
| C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES | | | | | | - |
| Proceed from issue of share | - | 520.00 | 604.60 | 221.41 | 353.00 | - |
| Proceed from Long term borrowings taken | 1,160.24 | 3568.91 | 6,358.10 | 30.70 | - | 33.00 |
| Proceed from Short term borrowings taken | - | - | (457.90) | - | - | - |
| Preliminary & share issue Expenses Incurred | - | - | - | - | (0.36) | (3.10) |
| Advance against the equity | - | - | - | - | 24.05 | - |
| Share Application money pending allotment | - | - | - | - | - | 33.50 |
| Interest expense and Borrowing cost paid | (540.10) | (425.33) | (597.31) | (111.22) | - | - |
| Borrowing Cost Transfer to CWIP | - | - | 597.31 | 111.22 | - | - |
| Net cash generated from/(used in) financing activities (C) | 620.14 | 3663.58 | 6,504.80 | 252.11 | 376.69 | 63.40 |
| Net increase/(decrease) in cash and cash equivalents (A +B+C) | (164.87) | 58.36 | 235.51 | (3.40) | 59.56 | 4.86 |
| Cash and cash equivalents at the beginning of the period/year | 355.77 | 297.41 | 61.90 | 65.30 | 5.74 | 0.88 |
| Total Cash and cash equivalents at the end of the period/year | 190.90 | 355.77 | 297.41 | 61.90 | 65.30 | 5.74 |

Rs. in million

| Components of Cash and Cash Equivalents | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|---|--|--------------------|---------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Cash on hand | 27.36 | 5.83 | 0.51 | 0.48 | 0.14 | 0.04 |
| Balance with scheduled banks: | | | | | | |
| Current account | 102.98 | 154.04 | 234.23 | 51.21 | 5.02 | 5.70 |
| FD with Bank | 47.15 | 87.56 | 60.42 | 10.21 | 40.09 | - |
| Liquid fund Investment | 13.41 | 108.34 | 2.25 | - | 20.05 | - |
| Total | 190.90 | 355.77 | 297.41 | 61.90 | 65.30 | 5.74 |

THE ISSUE

| | |
|---|--|
| Issue | 20,326,227 Equity Shares (of face value ₹ 10 each) aggregating to ₹ [●] million |
| <i>of which:</i> | |
| Fresh Issue ⁽¹⁾ | 18,326,227 Equity Shares (of face value ₹ 10 each) aggregating to ₹ [●] million |
| Offer for Sale ⁽²⁾ | 2,000,000 Equity Shares (of face value ₹ 10 each) aggregating to ₹ [●] million |
| | |
| A) QIB portion ⁽³⁾ | At least 15,244,671 Equity Shares (of face value ₹ 10 each) |
| <i>of which:</i> | |
| Anchor Investor Portion | Not more than 9,146,802 Equity Shares (of face value ₹ 10 each) |
| Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed) | 6,097,869 Equity Shares (of face value ₹ 10 each) |
| <i>of which:</i> | |
| Available for allocation to Mutual Funds only (5% of the QIB Category (excluding the Anchor Investor Portion)) | 304,894 Equity Shares (of face value ₹ 10 each) |
| Balance for all QIBs including Mutual Funds | 5,792,975 Equity Shares (of face value ₹ 10 each) |
| | |
| B) Non-Institutional Portion ⁽⁵⁾ | Not more than 3,048,934 Equity Shares (of face value ₹ 10 each) |
| C) Retail Portion ⁽⁵⁾ | Not more than 2,032,622 Equity Shares (of face value ₹ 10 each) |
| | |
| Equity Shares outstanding prior to the Issue ⁽⁶⁾⁽⁷⁾ | 61,571,583 Equity Shares (of face value ₹ 10 each) |
| Equity Shares outstanding after the Issue | 79,897,810 Equity Shares (of face value ₹ 10 each) |
| | |
| Use of Net Proceeds | See the section “Objects of the Issue” on page 85 for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale. |

Allocation to all categories, except the Retail Portion and Anchor Investor Portion, if any, shall be made on a proportionate basis.

- (1) *The Fresh Issue has been authorised by the Board of Directors and the Shareholders, pursuant to their resolutions dated May 17, 2014.*
- (2) *The Equity Shares offered by the Selling Shareholder in the Issue have been held by it for more than a period of one year as on the date of this Red Herring Prospectus. The Offer for Sale has been authorised by the Selling Shareholder pursuant to the resolution dated April 17, 2014 passed by its board of directors.*
- (3) *Our Company and the Selling Shareholder may, in consultation with the GCLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for*

domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. For details, see the section "Issue Procedure" on page 329.

- (4) Please note that in addition to receipt of sufficient number of valid Bids from Retail Individual Investors, Non Institutional Investors and Qualified Institutions Buyers and other conditions as stated in this Red Herring Prospectus, Allotment of Equity Shares pursuant to this Issue will be undertaken only upon receipt of Bids equivalent to at least 25% of the Issue (including Bids received under the Anchor Investor Portion) from mutual funds and/or insurance companies registered with IRDA.*
- (5) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except in the QIB category, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company in consultation with the GCLMs and the Designated Stock Exchange.*
- (6) Pursuant to the Shareholders' resolution dated August 31, 2013 and the IAF Investment Agreement, our Company has issued and allotted 1,439,999 compulsorily convertible debentures of face value ₹1,000 each ("IAF CCDs") at par to India Advantage Fund. The IAF CCDs were converted into 10,434,775 Equity Shares on January 30, 2015.*
- (7) Our Company has undertaken the Pre-IPO Placement post the filing of the DRHP, wherein on October 10, 2014, the Company allotted (i) 95 Equity Shares and 474,978 compulsorily convertible debentures of face value ₹1,000 each to NYLIM Jacob Ballas India Holdings IV; and (ii) 5 Equity Shares and 24,999 compulsorily convertible debentures of face value ₹1,000 each to Jacob Ballas Capital India Private Limited for an aggregate amount of ₹500.00 million. This investment was made pursuant to the investment agreement dated October 8, 2014 entered into among the Company, Promoters, NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited. On January 30, 2015, the 474,978 compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV were converted into 2,539,989 Equity Shares and the 24,999 compulsorily convertible debentures issued to Jacob Ballas Capital India Private Limited were converted into 133,684 Equity Shares.*

GENERAL INFORMATION

Our Company was incorporated as Adlabs Entertainment Private Limited on February 10, 2010 at Mumbai as a private limited company under the Companies Act, 1956, upon conversion of M/s. Dream Park (“Dream Park”), a partnership firm. Dream Park was a partnership firm formed under the provisions of Indian Partnership Act, 1932 through a partnership deed dated May 18, 2009, with our Promoters, among others, as partners. Further, our Company was converted into a public limited company on April 27, 2010 and the name of our Company was changed to Adlabs Entertainment Limited. For further details, see the section “History and Certain Corporate Matters” on page 137.

For details of the business of our Company, see the section “Our Business” on pages 111 to 133.

Registered Office of our Company

Adlabs Entertainment Limited

30/31, Sangdewadi
Khopoli Pali Road
Taluka-Khalapur
District Raigad 410 203
Maharashtra, India
Tel: + 91 2192 669900
E-mail: compliance@adlabsentertainment.com
Website: www.adlabsimagica.com

Corporate Identification Number: U92490MH2010PLC199925
Registration Number: 199925

Corporate Office of our Company

9th Floor, Lotus Business Park
New Link Road, Andheri (West)
Mumbai 400 053
Maharashtra, India
Tel: + 91 22 4068 0000
Fax: + 91 22 4068 0088

Since July 2014, our Company has been temporarily operating from the below mentioned office:

3rd Floor, Nimbus Centre
SAB TV Road, Andheri (West)
Mumbai 400 053
Maharashtra, India
Tel: + 91 22 4068 0000
Fax: + 91 22 4068 0088

Address of the RoC

Our Company is registered with the Registrar of Companies, Mumbai, Maharashtra situated at the following address:

Registrar of Companies

Everest
100 Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors

The Board of our Company comprises of the following:

| Name | Designation | DIN | Address |
|-----------------|---|----------|---|
| Manmohan Shetty | Chairman and Managing Director | 00013961 | 21, Golden Beach, Ruia Park Road, Juhu Mumbai 400 049, Maharashtra, India |
| Kapil Bagla | Whole-time Director and Chief Executive Officer | 00387814 | 4A/ 401-402, Himalaya Building, Asha Nagar, Kandivli (East), Mumbai 400 101, Maharashtra, India |
| Prashant Purker | Non-Executive and Nominee Director | 00082481 | 1 st Floor, C – Wing, Lloyds Garden, Apasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India |
| Anjali Seth | Non-Executive and Independent Director | 05234352 | B-1301, Birchwood, C-H-S Ltd, Main Street, Hiranandani Gardens, Powai Mumbai 400 076, Maharashtra, India |
| Ghulam Mohammed | Non-Executive and Independent Director | 00591038 | 1303, Shubda, Sir Pochkanwala Road, Worli, Mumbai 400 018, Maharashtra, India |
| Steven A. Pinto | Non-Executive and Independent Director | 00871062 | A-11, Tahnee Heights, 66 Napean Sea Road, Mumbai 400 006, Maharashtra, India |

For further details of our Directors, see the section “Our Management” on pages 144 to 147.

Company Secretary and Compliance Officer

Ghanshyam Singh Jhala

9th Floor, Lotus Business Park
New Link Road, Andheri (West)
Mumbai 400 053
Maharashtra, India
Tel: +91 22 4068 0000
Fax: +91 22 4068 0088
E-mail: compliance@adlabsentertainment.com

Chief Financial Officer

Rakesh Khurmi

9th Floor, Lotus Business Park
New Link Road, Andheri (West)
Mumbai 400 053
Maharashtra, India
Tel: +91 22 4068 0000
Fax: +91 22 4068 0088

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

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, application number, address of the applicant, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the entity and centre where the Bid cum Application Form was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB and the Syndicate Members at the Specified Locations with whom the Bid cum Application Form was submitted. In addition to the information indicated above, the ASBA Bidder should also specify the Designated Branch or the collection centre of the SCSB or the address of the centre of the Syndicate Member at the Specified Locations where the Bid cum Application Form was submitted by the ASBA Bidder.

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.

Global Co-ordinators and Lead Managers

Deutsche Equities India Private Limited

14th Floor, The Capital
Bandra Kurla Complex
Mumbai 400 051
Maharashtra, India
Tel: +91 22 7180 4444
Fax: +91 22 7180 4199
E-mail: ael.ipo@db.com
Investor Grievance E-mail: db.redressal@db.com
Website: www.db.com/India
Contact Person: Vivek Pabari
SEBI Registration No.: INM000010833

Centrum Capital Limited

Centrum House, Vidyanagari Marg
CST Road, Kalina, Santacruz (East)
Mumbai 400 098
Maharashtra, India
Tel: +91 22 4215 9000
Fax: +91 22 4215 9707
E-mail: adlabs.ipo@centrum.co.in
Website: www.centrum.co.in
Investor Grievance E-mail: igmbd@centrum.co.in
Contact Person: Gaurav Saravgi / Amandeep Sidhu
SEBI Registration No: INM000010445

Kotak Mahindra Capital Company Limited

1st Floor, 27 BKC, Plot No. 27
G Block, Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
Fax: +91 22 6713 2447
E-mail: ael.ipo@kotak.com
Website: http://investmentbank.kotak.com
Investor Grievance E-mail: kmccredressal@kotak.com
Contact Person: Ganesh Rane
SEBI Registration No.: INM000008704

Syndicate Members

Centrum Broking Limited

Centrum House, Vidyanagari Marg
CST Road, Kalina, Santacruz (East)
Mumbai 400 098
Maharashtra, India
Tel: +91 22 4215 9000
Fax: +91 22 4215 9533
E-mail: compliance@centrum.co.in
Investor grievance e-mail: investor.grievances@centrum.co.in
Website: www.centrumbroking.com
Contact Person: Sriram Ventakasubramaniam
SEBI Registration No.: BSE: INB011454239; NSE: INB231454233

Kotak Securities Limited

Nirlon House, 3rd Floor
Dr. Annie Besant Road
Opposite Sasmira College
Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6740 9708
Fax: +91 22 6661 7041
E-mail: umesh.gupta@kotak.com
Investor grievance e-mail: ipo.redressal@kotak.com
Website: www.kotaksecurities.com
Contact Person: Mr. Umesh Gupta
SEBI Registration No.: BSE: INB010808153; NSE: INB230808130

Prabhudas Lilladher Private Limited

3rd Floor, Sadhana House
570 P.B. Marg, behind Mahindra Tower
Worli
Mumbai 400 018
Maharashtra, India
Tel: +91 22 6632 2222
Fax: +91 22 6632 2229
E-mail: manishbhatt@plindia.com
Investor grievance e-mail: pl-ipodesk@plindia.com
Website: www.plindia.com
Contact Person: Mr. Manish Bhatt
SEBI Registration No.: BSE: INF010502855; NSE: INB230597738

Domestic Legal Counsel to our Company**SNG & Partners**

One Bazar Lane, Bengali Market
New Delhi 110 001, India
Tel: +91 11 4358 2016
Fax: +91 11 4358 2033
E-mail: projectdream@sngpartners.in

Special Counsel to our Company**Bharucha & Partners**

2nd Floor, Hague Building
9, S.S. Ram Gulam Marg
Ballard Estate
Mumbai 400 001
Maharashtra, India
Tel: +91 22 6132 3900
Fax: +91 22 6633 3900
E-mail: projectdream@bharucha.in

Domestic Legal Counsel to the GCLMs**Amarchand & Mangaldas & Suresh A. Shroff & Co.**

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

International Legal Counsel to the GCLMs**Jones Day**

3 Church Street
#14-02 Samsung Hub
Singapore 049483
Tel: +65 6538 3939
Fax: +65 6536 3939

Registrar to the Issue**Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound L.B.S. Marg
Bhandup (West)

Mumbai 400 078
 Maharashtra, India
 Tel: +91 22 6171 5400
 Fax: +91 22 2596 0329
 E-mail: ael.ipo@linkintime.co.in
 Website: www.linkintime.co.in
 Contact Person: Sachin Achar
 SEBI Registration No.: INR000004058

Statutory Auditors

A.T. Jain & Co.

212, Rewa Chambers
 31, New Marine Lines
 Mumbai 400 020
 Maharashtra, India
 Firm Registration No: 103886W
 Tel.: +91 22 2203 5151 / 2203 5252
 Fax: +91 22 2208 3820
 E-mail: accounts@atjain.net

A.T. Jain & Co. has received a certificate dated February 10, 2011 from the Peer Review Board of the ICAI and the same was valid up to February 10, 2015. A.T. Jain & Co. has sent a communication to the Peer Review Board of the ICAI on January 30, 2015 seeking peer review for further period.

Bankers to the Issue and Escrow Collection Banks

| | |
|---|--|
| HDFC Bank Limited FIG-OPS Department Lodha, I Think Techno Campus, 0-3, Level Next to Kanjurmarg Railway Station Kanjurmarg (East) Mumbai 400 042 Maharashtra, India Tel: +91 22 30752928 Fax: +91 22 25799801 E-mail: uday.dixit@hdfcbank.com Website: www.hdfcbank.com Contact Person: Uday Dixit SEBI Registration No.: INBI00000063 | YES Bank Limited 3 rd Floor, Building No. 8, Tower A DLF Cyber City Gurgaon 122 002 Haryana, India Tel: +91 124 4619 119/205 Fax: +91 124 4147193 E-mail: dlbtiservices@yesbank.in Website: www.yesbank.in Contact Person: Varun Kathuria/ Qumarey Khan SEBI Registration No.: INBI00000935 |
| ICICI Bank Limited Capital Markets Division 1 st Floor, 122, Mistry Bhavan Dinshaw Vachha Road Backbay Reclamation, Churchgate Mumbai 400 002 Maharashtra, India Tel: +91 22 22859923 Fax: +91 22 22611138 E-mail: rishav.bagrecha@icicibank.com Website: www.icicibank.com Contact Person: Rishav Bagrecha SEBI Registration No.: INBI00000004 | Kotak Mahindra Bank Limited Kotak Infiniti, 6 th Floor, Building No. 21 Infinity Park, Off Western Express Highway General AK Vaidya Marg Malad (East) Mumbai 400 097 Maharashtra, India Tel: +91 22 66056588 Fax: +91 22 67132416 E-mail: emsipo@kotak.com/prashant.sawant@kotak.com Website: www.kotak.com Contact Person: Prashant Sawant SEBI Registration No.: INBI00000927 |

Refund Bank**ICICI Bank Limited**

Capital Markets Division
 1st Floor, 122, Mistry Bhavan
 Dinshaw Vachha Road
 Backbay Reclamation, Churchgate
 Mumbai 400 002
 Maharashtra, India
 Tel: +91 22 22859923
 Fax: +91 22 22611138
 E-mail: rishav.bagrecha@icicibank.com
 Website: www.icicibank.com
 Contact Person: Rishav Bagrecha
 SEBI Registration No.: INBI00000004

Bankers / Lenders to our Company

| | |
|---|---|
| Union Bank of India IFB Branch, Mumbai 239, Vidhan Bhavan Marg Nariman Point Mumbai 400 021 Maharashtra, India Tel: +91 22 22892150 Fax: +91 22 22855037 E-mail: nitin@unionbankofindia.com Website: www.unionbankofindia.com Contact Person: Nitin Mehta | Vijaya Bank Industrial Finance Branch 2 nd Floor, New Excelsior Building Wallace Street, Fort Mumbai 400 001 Maharashtra, India Tel: +91 22 22079776 Fax: +91 22 22075994 Website: www.vijayabank.com E-mail: mumbaiifb@vijayabank.co.in Tel: +91 22 22079776 Fax: +91 22 22075994 Contact Person: Baptist Lobo |
| Syndicate Bank 227, Nariman Bhavan Ground Floor, Nariman Point Mumbai 400 021 Maharashtra, India Tel: +91 22 22852714 Fax: +91 22 22024812 Website: www.syndicatebank.in E-mail: mh.5037mumnp@syndicatebank.co.in Contact Person: T Prasad | Bank of India Andheri Corporate Banking Branch MDI Building, 1 st Floor, 28, S V Road Andheri West Mumbai 400 058 Maharashtra, India Tel: +91 22 26281681 Fax: +91 22 26247655 E-mail: AndheriLCB.MumbaiNorth@bankofindia.co.in Website: www.bankofindia.co.in Contact Person: Swarup Dasgupta |
| Dena Bank Corporate Business Branch C – 10, G Block, Bandra Kurla Complex Bandra East Mumbai 400 051 Maharashtra, India Tel: +91 22 26545018 Fax: +91 22 26545017 Website: www.denabank.co.in E-mail: bankur@denabank.co.in Contact Person: Sujaya U. Shetty | The Jammu & Kashmir Bank Limited Business Unit - 182 Ashra Water Field Road Bandra West Mumbai 400 050 Maharashtra, India Tel: +91 22 26408451 Fax: +91 22 26408634 E-mail: bandra@jkbmail.com; Website: www.jkbank.net Contact Person: Iftikhar Abdullah |
| Indian Overseas Bank Fort Branch Tamarind House | Bank of Baroda Corporate Financial Services Branch 3, Walchand Hirachand Marg |

| | |
|---|---|
| 30 & 32 Tamarind Lane Mumbai 400 023 Maharashtra, India Tel: +91 22 22622062 Fax: +91 22 22622148 Website: www.iob.in E-mail: iob0014@iob.in Contact Person: Dilip Kumar Barik | Ballard Pier Mumbai 400 001 Maharashtra, India Tel: +91 22 43407000 Fax: +91 22 22655778 Website: www.bankofbaroda.com E-mail: CFSBAL@bankofbaroda.com Contact Person: D. Ananda Kumar |
| Punjab & Sind Bank Karol Bagh Branch 2400, Hardhyan Singh Road Karol Bagh New Delhi 110 005 New Delhi, India E-mail: d0010@psb.org.in Tel No. : 011 2875 5391 Fax No. :011 2875 1698 | Tourism Finance Corporation of India Ltd 13 th Floor, IFCI Tower 61 Nehru Place New Delhi 110 019 New Delhi, India Tel: +91 11 26291151 Fax: +91 11 26291152 Website: www.tfcilttd.com E-mail: ho@tfcilttd.com; charu.singh@tfcilttd.com Contact Person: Charu Singh |
| Corporation Bank Bharat House, No. 104 Ground Floor, M S Marg Mumbai 400 023 Maharashtra, India Tel: +91 22 22677088 Fax: +91 22 22675309 Website: www.corpbank.com; E-mail: cb0443@corpbank.co.in Contact Person: G M Shenoy | Central Bank of India 1 st Floor, MMO Building, Fort Mumbai 400 023 Maharashtra, India Tel: +91 22 40785858 Fax: +91 22 40785840 Website: http://www.centralbankofindia.co.in E-mail: cm2cfb@centralbank.co.in Contact Person : P. K. Jagan |
| Life Insurance Corporation of India Investment – Operations, Central Office “Yogakshema”, 6 th Floor Nariman Point Mumbai 400 021 Maharashtra, India Tel: +91 22 66598000 Fax: +91 22 22810448 Website: www.licindia.in E-mail: co_profinv@licindia.com Contact Person: Chief- Investment- Operations | |

Self Certified Syndicate Banks

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

Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue 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 BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipo/ipo_mem_terminal.htm, respectively.

Experts

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

Our Company has received written consent from the Statutory Auditors namely, A. T. Jain & Co., Chartered Accountants, to include their name as an expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to their report dated January 31, 2015 on the restated standalone financial statements of our Company, their report dated January 31, 2015 on the restated consolidated financial statements of our Company, and the statement of tax benefits dated January 31, 2015, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus.

Monitoring Agency

In terms of Regulation 16 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency as the size of the Fresh Issue including the Pre-IPO Placement is less than ₹ 5,000 million.

Appraising Entity

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

Inter-se Allocation of Responsibilities:

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

| Sr. 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 GCLMs 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 | Deutsche, Kotak | Deutsche |
| 2. | Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments. Appointment of all other intermediaries (for example, Registrar(s), printer(s) and Banker(s) to the Issue, advertising agency.) | Deutsche, Kotak | Deutsche |
| 3. | Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure | Deutsche, Kotak | Deutsche |
| 4. | Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalising road show schedules | Deutsche, Centrum, Kotak | Centrum |
| 5. | International institutional marketing including; allocation of investors for meetings and finalising road show schedules and preparation and finalisation of the road-show presentation | Deutsche, Centrum, Kotak | Deutsche |
| 6. | Non-Institutional & Retail Marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none">Formulating marketing strategies;Preparation of publicity budget, finalising Media and PR strategy.Finalising centres for holding conferences for brokers; | Deutsche, Centrum, Kotak | Kotak |

| Sr. No | Activities | Responsibility | Coordination |
|--------|--|-----------------|--------------|
| | <ul style="list-style-type: none"> 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. | | |
| 7. | Coordination with Stock Exchanges for book building process including software, bidding terminals. | Deutsche, Kotak | Kotak |
| 8. | Pricing and managing the book | Deutsche, Kotak | Kotak |
| 9. | Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and SCSBs to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, SCSBs including responsibility for underwriting arrangements, as applicable. | Deutsche, Kotak | Kotak |

Centrum Capital Limited, one of the GCLMs, will only be involved in the marketing of the Issue since Manmohan Shetty, one of our Promoters is a non-executive director on the board of Centrum Capital Limited.

Credit Rating

As this is an issue of Equity Shares, there is no credit rating for the Issue.

Trustees

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

Book Building Process

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of this Red Herring Prospectus within the Price Band, which will be decided by our Company and the Selling Shareholder, in consultation with the GCLMs, and advertised at least five Working Days prior to the Bid/ Issue Opening Date. The Issue Price shall be determined by our Company in consultation with the GCLMs after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

- our Company;
- the Selling Shareholder;
- the GCLMs;
- the Syndicate Members;
- the SCSBs;
- the Registered Brokers;
- the Registrar to the Issue; and
- the Escrow Collection Bank(s).

The Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be Allotted on a proportionate basis to QIBs, provided that our Company and the Selling Shareholder may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 5% of the QIB Portion (excluding the

Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Under subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Selling Shareholder the GCLMs and the Designated Stock Exchange. Allotment of Equity Shares pursuant to this Issue will be undertaken only upon receipt of Bids equivalent to at least 25% of the Issue (including Bids received under the Anchor Investor Portion) from mutual funds and/or insurance companies registered with IRDA.

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

In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Investors bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until finalisation of the Basis of Allotment. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period. Allocation to the Anchor Investors will be on a discretionary basis. For further details, see the section “Issue Procedure” on page 329.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company and the Selling Shareholder have appointed the GCLMs to manage the Issue and procure purchases for the Issue.

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

Illustration of Book Building Process and Price Discovery Process

Investors should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors or under the ASBA process.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at bidding centres during the bidding period. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|---------------------|-----------------------|----------------------------|---------------------|
| 500 | 24 | 500 | 16.7% |
| 1,000 | 23 | 1,500 | 50.0% |
| 1,500 | 22 | 3,000 | 100.0% |
| 2,000 | 21 | 5,000 | 166.7% |
| 2,500 | 20 | 7,500 | 250.0% |

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, *i.e.*, ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by Bidders for Bidding:

1. Check eligibility for making a Bid (see “Issue Procedure – Who Can Bid?” on page 310);

2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by 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 the SEBI circular dated July 20, 2006, 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 the section “Issue Procedure” on page 314);
4. Ensure that the Bid cum Application Form is duly completed as per the instructions given in this Red Herring Prospectus and in the Bid cum Application Form;
5. Bids by QIBs (except Anchor Investors) and the Non-Institutional Investors shall be submitted only through the ASBA process;
6. Bids by non-ASBA Bidders will have to be submitted to the Syndicate (or their authorised agents) or the Registered Brokers; and
7. Bids by ASBA Bidders will have to be submitted to the Designated Branches or the Syndicate in the Specified Locations or the Registered Brokers in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the specified bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that the Bid cum Application Form submitted by the ASBA Bidders is not rejected.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) receipt of Bids equivalent to at least 25% of the Issue (including Bids received under the Anchor Investor Portion) from mutual funds and/or insurance companies registered with IRDA; (ii) obtaining final approval of the RoC after the Prospectus is filed with the RoC; and (iii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Allotment to Retail Individual Investors and Minimum Bid Lots

The minimum Bid Lot will be decided by our Company and the Selling Shareholder in consultation with the GCLMs and will be advertised at least five Working Days prior to the Bid/Issue Opening Date. In the event, the Bids received from Retail Individual Investors exceeds 2,032,622 Equity Shares, then the maximum number of Retail Individual Investors who can be allocated/Allotted the minimum Bid Lot will be computed by dividing the total number of the Equity Shares available for allocation/Allotment to Retail Individual Investors by the minimum Bid Lot (“Maximum RIB Allottees”).

The allocation/Allotment to Retail Individual Investors will then be made in the following manner:

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

For details, see the section “Issue Procedure” on pages 309 to 359.

Withdrawal of the Issue

Our Company and the Selling Shareholder, in consultation with the GCLMs, reserve the right not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would

issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The GCLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders in case of ASBA Bids, and issue refund orders in case of non-ASBA Bidders within one day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

If our Company and the Selling Shareholder withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus after it is filed with the RoC.

For details on refund procedure, see the section “Issue Procedure” on pages 350 to 352.

Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the GCLMs shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations 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 the Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.

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

The abovementioned underwriting commitments are indicative and will be finalised after pricing of the Issue and actual allocation and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations.

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

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

Notwithstanding the above table, the GCLMs and the Syndicate Members shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for or purchase of the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after the determination of the Issue Price and allocation of Equity Shares and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

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

(In ₹, except share data)

| | | Aggregate value at face value | Aggregate value at Issue Price |
|----------|---|-------------------------------|--------------------------------|
| A | AUTHORIZED SHARE CAPITAL | | |
| | 200,000,000 Equity Shares (of face value ₹ 10 each) | 2,000,000,000 | |
| B | ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE | | |
| | 61,571,583 Equity Shares ⁽¹⁾⁽²⁾ (of face value ₹ 10 each) | 615,715,830 | |
| C | PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS | | |
| | Fresh Issue of 18,326,227 Equity Shares (of face value ₹ 10 each) aggregating to ₹ [●] ⁽³⁾ | 183,262,270 | [●] |
| | Offer for Sale of up to 2,000,000 Equity Shares ⁽⁴⁾ (of face value ₹ 10 each) | 20,000,000 | [●] |
| D | SECURITIES PREMIUM ACCOUNT | | |
| | Before the Issue ⁽¹⁾⁽²⁾ | 5,008,883,951 | |
| | After the Issue | | [●] |
| E | ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE | | |
| | 79,897,810 Equity Shares (of face value ₹ 10 each) | 798,978,100 | |

- (1) Pursuant to the Shareholders' resolution dated August 31, 2013 and the IAF Investment Agreement, our Company has issued and allotted 1,439,999 compulsorily convertible debentures of face value ₹ 1,000 each ("IAF CCDs") at par to India Advantage Fund. The IAF CCDs were converted into 10,434,775 Equity Shares on January 30, 2015.
- (2) Our Company has undertaken the Pre-IPO Placement post the filing of the DRHP, wherein on October 10, 2014, the Company allotted (i) 95 Equity Shares and 474,978 compulsorily convertible debentures of face value ₹ 1,000 each to NYLIM Jacob Ballas India Holdings IV; and (ii) 5 Equity Shares and 24,999 compulsorily convertible debentures of face value ₹ 1,000 each to Jacob Ballas Capital India Private Limited for an aggregate amount of ₹ 500.00 million. This investment was made pursuant to the investment agreement dated October 8, 2014 entered into among the Company, Promoters, NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited. On January 30, 2015, the 474,978 compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV were converted into 2,539,989 Equity Shares and the 24,999 compulsorily convertible debentures issued to Jacob Ballas Capital India Private Limited were converted into 133,684 Equity Shares.
- (3) The Fresh Issue has been authorised by the Board of Directors and the Shareholders, pursuant to their resolutions dated May 17, 2014.
- (4) The Equity Shares offered by the Selling Shareholder in the Issue have been held by it for more than a period of one year as on the date of this Red Herring Prospectus. The Offer for Sale has been authorised by the Selling Shareholder pursuant to the board resolution dated April 17, 2014.

Changes in the Authorised Capital

- The initial authorised share capital of ₹ 10 million divided into 1,000,000 Equity Shares was increased to ₹ 400 million divided into 40,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on February 13, 2010.
- The authorised share capital of ₹ 400 million divided into 40,000,000 Equity Shares was increased to ₹ 450 million divided into 45,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on December 12, 2011.
- The authorised share capital of ₹ 450 million divided into 45,000,000 Equity Shares was increased to ₹

500 million divided into 50,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on September 26, 2012.

4. The authorised share capital of ₹ 500 million divided into 50,000,000 Equity Shares was increased to ₹ 2 billion divided into 200,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on August 31, 2013.

Notes to the Capital Structure

1. Equity Share Capital History of our Company

- (a) The history of the equity share capital and the securities premium account of our Company is set out in the following table:

| Date of Allotment | No. of Equity Shares Allotted | Face Value (₹) | Issue price per Equity Share (₹) | Consideration | Reason for allotment | Cumulative Number of Equity Shares | Cumulative Paid-up Equity Share Capital (₹) | Cumulative Share Premium (₹) |
|--------------------|-------------------------------|----------------|----------------------------------|------------------------|---|------------------------------------|---|------------------------------|
| February 11, 2010 | 100,000 | 10 | 10 | Otherwise than in cash | Initial subscribers to the Memorandum of Association ⁽¹⁾ | 100,000 | 1,000,000 | - |
| February 15, 2010 | 31,284,257 | 10 | 60 | Otherwise than in cash | Allotment to the erstwhile partners of M/s. Dream Park ⁽²⁾ | 31,384,257 | 313,842,570 | 1,564,212,850 |
| February 22, 2011 | 5,883,340 | 10 | 60 | Cash | Preferential allotment to Thrill Park | 37,267,597 | 372,675,970 | 1,858,379,850 |
| December 14, 2011 | 4,649,070 | 10 | 60 | Cash | Preferential allotment to Thrill Park | 41,916,667 | 419,166,670 | 2,090,833,350 |
| June 15, 2012 | 1,473,333 | 10 | 60 | Cash | Preferential allotment to Thrill Park | 43,390,000 | 433,900,000 | 2,164,500,000 |
| August 25, 2012 | 186,667 | 10 | 60 | Cash | Preferential allotment to Thrill Park | 43,576,667 | 435,766,670 | 2,173,833,350 |
| December 7, 2012 | 2,295,455 | 10 | 220 | Cash | Preferential allotment to Centrum Financial Services Limited. The Equity Shares were allotted upon conversion of outstanding loan availed from Centrum Financial Services Limited into Equity Shares ⁽³⁾ | 45,872,122 | 458,721,220 | 2,655,878,900 |
| August 31, 2013 | 2,590,909 | 10 | 220 | Cash | Preferential allotment ⁽⁴⁾ | 48,463,031 | 484,630,310 | 3,199,969,790 |
| September 11, 2013 | 4 | 10 | 220 | Cash | Preferential allotment to India Advantage Fund ⁽⁵⁾ | 48,463,035 | 484,630,350 | 3,199,970,630 |
| October 10, 2014 | 95 | 10 | 230 | Cash | Preferential allotment to NYLIM Jacob Ballas India Holdings IV ⁽⁶⁾ | 48,463,130 | 484,631,300 | 3,199,991,530 |
| October 10, 2014 | 5 | 10 | 230 | Cash | Preferential allotment to Jacob Ballas Capital India Private Limited ⁽⁶⁾ | 48,463,135 | 484,631,350 | 3,199,992,630 |
| January 30, 2015 | 10,434,775 | 10 | 138 | Cash | Allotment to India Advantage Fund upon conversion of IAF CCDs ⁽⁷⁾ | 58,897,910 | 588,979,100 | 4,535,643,830 |
| January 30, 2015 | 2,539,989 | 10 | 187 | Cash | Allotment to NYLIM Jacob Ballas India | 61,437,899 | 614,378,990 | 4,985,221,883 |

| Date of Allotment | No. of Equity Shares Allotted | Face Value (₹) | Issue price per Equity Share (₹) | Consideration | Reason for allotment | Cumulative Number of Equity Shares | Cumulative Paid-up Equity Share Capital (₹) | Cumulative Share Premium (₹) |
|-------------------|-------------------------------|----------------|----------------------------------|---------------|--|------------------------------------|---|------------------------------|
| | | | | | Holdings IV upon conversion of 474,978 compulsorily convertible debentures of face value ₹ 1,000 each ⁽⁶⁾ | | | |
| January 30, 2015 | 133,684 | 10 | 187 | Cash | Allotment to Jacob Ballas Capital India Private Limited upon conversion of 24,999 compulsorily convertible debentures ⁽⁶⁾ | 61,571,583 | 615,715,830 | 5,008,883,951 |

- (1) 97,000 Equity Shares were allotted to Thrill Park, 700 Equity Shares were allotted to Manmohan Shetty, 1,000 Equity Shares were allotted to Shashikala Shetty, 1,000 Equity Shares were allotted to Aarti Shetty, 100 Equity Shares were allotted to Kapil Bagla, 100 Equity Shares were allotted to Chandir Gidwani and 100 Equity Shares were allotted to Rajeev Jalnapurkar.
 - (2) 31,281,931 Equity Shares were allotted to Thrill Park, 542 Equity Shares were allotted to Manmohan Shetty, 775 Equity Shares were allotted to Shashikala Shetty, 775 Equity Shares were allotted to Aarti Shetty, 78 Equity Shares were allotted to Kapil Bagla, 78 Equity Shares were allotted to Chandir Gidwani and 78 Equity Shares were allotted to Rajeev Jalnapurkar.
 - (3) These shares were subsequently transferred by Centrum Financial Services Limited to Manmohan Shetty on March 30, 2013.
 - (4) 2,045,454 Equity Shares were allotted to Thrill Park and 545,455 Equity Shares were allotted to Manmohan Shetty.
 - (5) Four Equity Shares were allotted to India Advantage Fund pursuant to IAF Investment Agreement. For details, see the section "History and Certain Corporate Matters" on page 138.
 - (6) Our Company has undertaken the Pre-IPO Placement post the filing of the DRHP, wherein on October 10, 2014, the Company allotted (i) 95 Equity Shares and 474,978 compulsorily convertible debentures of face value ₹ 1,000 each to NYLIM Jacob Ballas India Holdings IV; and (ii) 5 Equity Shares and 24,999 compulsorily convertible debentures of face value ₹ 1,000 each to Jacob Ballas Capital India Private Limited for an aggregate amount of ₹ 500.00 million. This investment was made pursuant to the investment agreement dated October 8, 2014 entered into among the Company, Promoters, NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited. On January 30, 2015, the 474,978 compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV were converted into 2,539,989 Equity Shares and the 24,999 compulsorily convertible debentures issued to Jacob Ballas Capital India Private Limited were converted into 133,684 Equity Shares.
 - (7) Allotted to India Advantage Fund pursuant to IAF Investment Agreement. For details, see the section "History and Certain Corporate Matters" on page 138.
- (b) As on the date of this Red Herring Prospectus, our Company does not have any preference share capital.

2. Issue of Equity Shares for consideration other than cash

Except as set out below we have not issued Equity Shares for consideration other than cash:

| Date of Allotment | Number of Equity Shares Allotted | Face Value (₹) | Issue price per Equity Share (₹) | Reason for allotment | Benefits accrued to our Company |
|-------------------|----------------------------------|----------------|----------------------------------|--|--|
| February 11, 2010 | 100,000 | 10 | 10 | Since our Company was formed by conversion of the partnership M/s Dream Park, the partners in M/s Dream Park became the initial subscriber to the Memorandum of Association and were allotted Equity Shares against their respective closing balance in the capital account of M/s Dream Park before the conversion of M/s Dream Park into our Company. ⁽¹⁾ | Conversion from partnership to company |
| February 15, 2010 | 31,284,257 | 10 | 60 | Allotment of Equity Shares to the partners of M/s Dream Park against the closing balance in their respective current account in M/s Dream Park before the conversion of M/s Dream Park into our Company. ⁽²⁾ | Conversion from partnership to company |

⁽¹⁾ 97,000 Equity Shares were allotted to Thrill Park, 700 Equity Shares were allotted to Manmohan Shetty, 1,000 Equity Shares were allotted to Shashikala Shetty, 1,000 Equity Shares were allotted to Aarti Shetty, 100 Equity Shares were allotted to Kapil Bagla, 100 Equity Shares were allotted to Chandir Gidwani and 100 Equity Shares were allotted to Rajeev Jalnapurkar.

⁽²⁾ 31,281,931 Equity Shares were allotted to Thrill Park, 542 Equity Shares were allotted to Manmohan Shetty, 775 Equity Shares were allotted to Shashikala Shetty, 775 Equity Shares were allotted to Aarti Shetty, 78 Equity Shares were allotted to Kapil Bagla, 78 Equity Shares were allotted to Chandir Gidwani and 78 Equity Shares were allotted to Rajeev Jalnapurkar.

3. History of the Equity Share Capital held by our Promoters

As on the date of this Red Herring Prospectus, our Promoters hold 47,417,239 Equity Shares, equivalent to 77.01% of the issued, subscribed and paid-up Equity Share capital of our Company.

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

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

| Name of the Promoter | Date of allotment/ Transfer | Nature of transaction | No. of Equity Shares | Nature of consideration | Face value per Equity Share (₹) | Issue Price /Transfer Price per Equity Share (₹) | Percentage of the pre-Issue capital (%) | Percentage of the post-Issue capital (%)* | Source of funds |
|----------------------|-----------------------------|--|----------------------|-------------------------|---------------------------------|--|---|---|--|
| Thrill Park | February 11, 2010 | Initial subscriber to the Memorandum of Association. | 97,000 | Other than cash | 10 | 10 | 0.16 | 0.12 | Balance in partners fixed capital account of M/s Dream Park |
| | February 15, 2010 | Preferential allotment | 31,281,931 | Other than cash | 10 | 60 | 50.81 | 39.15 | Balance in partners current capital account of M/s Dream Park |
| | February 22, 2011 | Preferential allotment | 5,883,340 | Cash | 10 | 60 | 9.56 | 7.36 | From interest free loan received from Manmohan Shetty and from equity share capital invested by Manmohan Shetty in Thrill Park. |
| | December 14, 2011 | Preferential allotment | 4,649,070 | Cash | 10 | 60 | 7.55 | 5.82 | From interest free unsecured loan received from Manmohan Shetty. The issue of Equity Shares was against temporary advances given to our Company. |
| | June 15, 2012 | Preferential allotment | 1,473,333 | Cash | 10 | 60 | 2.39 | 1.84 | From interest free unsecured loan received from Manmohan Shetty. The issue of Equity Shares was against temporary advances given to our Company. |
| | August 25, 2012 | Preferential allotment | 186,667 | Cash | 10 | 60 | 0.30 | 0.23 | Issue of Equity Shares against temporary advances given to our Company. |
| | August 31, 2013 | Preferential allotment | 2,045,454 | Cash | 10 | 220 | 3.32 | 2.56 | From funds received from issue of optionally convertible debentures |

| Name of the Promoter | Date of allotment/ Transfer | Nature of transaction | No. of Equity Shares | Nature of consideration | Face value per Equity Share (₹) | Issue Price /Transfer Price per Equity Share (₹) | Percentage of the pre-Issue capital (%) | Percentage of the post-Issue capital (%)* | Source of funds |
|----------------------|-----------------------------|---|---------------------------------|-------------------------|---------------------------------|--|---|---|---|
| | | | | | | | | | issued to private investors by Thrill Park. |
| | August 28, 2014 | Transfer from Aarti Shetty | 1,775 | Cash | 10 | 220 | 0.00 | 0.00 | From the regular cash flows of Thrill Park |
| | January 31, 2015 | Transfer to 27 holders of Thrill Park Securities ⁽¹⁾ | (952,903) | Cash | 10 | 138 | 1.55 | 1.19 | NA |
| | February 2, 2015 | Transfer to 4 holders of Thrill Park Securities ⁽¹⁾ | (90,580) | Cash | 10 | 138 | 0.15 | 0.11 | NA |
| | Total | | 44,575,087⁽²⁾ | | | | 72.40** | 55.79** | |
| Manmohan Shetty | February 11, 2010 | Initial subscriber to Memorandum of Association | 700 | Other than cash | 10 | 10 | 0.00 | 0.00 | Balance in partners fixed capital account of M/s Dream Park |
| | February 15, 2010 | Preferential allotment | 542 | Other than cash | 10 | 60 | 0.00 | 0.00 | Balance in partners current capital account of M/s Dream Park |
| | March 30, 2013 | Transfer from Centrum Financial Services Limited | 2,295,455 | Cash | 10 | 230 | 3.73 | 2.87 | From personal funds of Manmohan Shetty paid to Centrum Financial Services Limited. (Note: ₹ 22.95 millions is yet to be paid to Centrum Financial Services Limited) |
| | August 31, 2013 | Preferential allotment | 545,455 | Cash | 10 | 220 | 0.89 | 0.68 | From personal funds of Manmohan Shetty. |
| | Total | | 2,842,152 | | | | 4.62 | 3.56 | |

*Percentage of post Issue computed does not take into account 2,000,000 Equity Shares offered by Thrill Park in the Offer for Sale.

**Percentage of net Equity Shares held by Thrill Park, after transfer of Equity Shares to holders of Thrill Park Securities.

⁽¹⁾ Thrill Park had issued optionally convertible debentures (the "Thrill Park Securities") to certain investors in May 2013. The terms of the issue of the Thrill Park Securities provided that the holders of Thrill Park Securities can either redeem or choose to receive Equity Shares of our Company from Thrill Park in lieu of the redemption proceeds. 31 holders of Thrill Park Securities had opted to receive the Equity Shares from Thrill Park. On January 31, 2015, an aggregate of 952,903 Equity Shares were transferred to 27 holders of Thrill Park Securities at a conversion price of ₹ 138 per Equity Share and an aggregate of 90,580 Equity Shares were transferred to 4 holders of Thrill Park Securities at a conversion price of ₹ 138 per Equity Share on February 2, 2015.

- (2) *Out of the total Equity Shares held by Thrill Park, 23,394,782 Equity Shares have been pledged for the consortium finance availed by our Company from the Consortium Lenders. The pledge will be removed prior to Allotment in the Issue and such Equity Shares will be re-pledged immediately after the Allotment in the Issue in accordance with the SEBI ICDR Regulations.*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

- (b) *Shareholding of our Promoters and Promoter Group and the directors of Promoters, where promoter is a body corporate:*

| Sr. No. | Name of the Shareholder | Pre-Issue | | Post-Issue | |
|---------|-------------------------|----------------------|-------|----------------------|-------|
| | | No. of Equity Shares | % | No. of Equity Shares | % |
| 1. | Thrill Park | 44,575,087 | 72.40 | 42,575,087 | 53.29 |
| 2. | Manmohan Shetty | 2,842,152 | 4.62 | 2,842,152 | 3.56 |
| 3. | Kapil Bagla | 178 | 0.00 | 178 | 0.00 |

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

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

As on the date of this Red Herring Prospectus, our Promoters, Thrill Park and Manmohan Shetty hold 44,575,087 Equity Shares and 2,842,152 Equity Shares, respectively, aggregating to 47,417,239 Equity Shares. Out of which,

- 1,775 Equity Shares were acquired by Thrill Park on August 28, 2014 and such Equity Shares will be ineligible to be locked-in as promoter contribution. If required, our Promoters shall provide the difference between the acquisition price of such Equity Shares at the Cap Price and such amount will be kept in an escrow account and will be utilised in accordance with SEBI ICDR Regulations if the conditions specified in Regulations 33(1)(b) of the SEBI ICDR Regulations are not complied with;
- 23,394,782 Equity Shares held by Thrill Park are pledged with the Consortium Lenders and are ineligible to be locked-in as promoter contribution; and
- up to 2,000,000 Equity Shares held by Thrill Park will be offered in the Offer for Sale.

Accordingly, the remaining Equity Shares held by our Promoters shall be eligible for promoters' contribution.

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

| Name of Promoter | Date of Transaction and when made fully paid-up | Nature of Transaction | No. of Equity Shares to be locked-in | Face Value (₹) | Issue/acquisition price per Equity Share (₹) | Percentage of post-Issue paid-up capital (%) |
|------------------|---|------------------------|--------------------------------------|----------------|--|--|
| Thrill Park | February 15, 2010 | Preferential allotment | 15,979,562 | 10 | 60 | 20.00 |

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

Other requirements in respect of lock-in:

In addition to the 20% of the fully diluted post-Issue shareholding of our Company held by our Promoters and locked in for three years as specified above, the entire pre-Issue equity share capital of our Company, except the Equity Shares subscribed to and Allotted pursuant to the Offer for Sale, will be locked-in for a period of one year from the date of Allotment.

Our Promoter, Thrill Park has pledged 23,394,782 Equity Shares of our Company with the Consortium Lenders as collateral security under the Common Loan Agreement. Pursuant to Regulation 36 of the SEBI ICDR Regulations, the entire pre-Issue shareholding of the Promoters in excess of the minimum promoters' contribution is required to be locked-in for a period of one year from the date of the Allotment. The pledge over the Equity Shares will be released prior to the Allotment for the purpose of compliance with such lock-in requirement.

The Equity Shares held by our Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans. Accordingly, the Equity Shares required to be pledged with the Consortium Lenders under the Common Loan Agreement will be re-pledged after the Allotment.

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

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment in the Issue may be transferred to any other person holding the Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations. However, under Regulation 37(b) of the SEBI ICDR Regulations, 10,434,779 Equity Shares held by India Advantage Fund are not subject to lock-in.

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

4. Details of share capital held by the Selling Shareholder in our Company

As Thrill Park, our Promoter is also the Selling Shareholder in the Issue, see the section "Capital Structure - History of the Equity Share Capital held by our Promoters" for details of the share capital held by Thrill Park.

5. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company of the Equity Shares before the proposed Issue and as adjusted for the Issue:

| Category code | Category of shareholder | Pre-Issue | | | | | | Post-Issue | | | | |
|---------------|---|------------------------|------------------------|--|---|-----------------------|--|------------------------|--|---|-----------------------|--|
| | | Number of shareholders | Total number of shares | Number of shares held in dematerialised form | Total shareholding as a % of total number of shares | | Shares Pledged or otherwise encumbered | Total number of shares | Number of shares held in dematerialised form | Total shareholding as a % of total number of shares | | Shares Pledged or otherwise encumbered |
| | | | | | As a % of (A + B) | As a % of (A + B + C) | | | | As a % of (A + B) | As a % of (A + B + C) | |
| (A) | Promoter and Promoter Group | | | | | | | | | | | |
| (1) | Indian | | | | | | | | | | | |
| (a) | Individuals/ Hindu Undivided Family | 1 | 2,842,152 | 2,842,152 | 4.62 | 4.62 | - | 2,842,152 | 2,842,152 | 3.56 | 3.56 | - |
| (b) | Central Government/ State Government(s) | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Bodies Corporate | 1 | 44,575,087 | 44,575,087 | 72.40 | 72.40 | 23,394,782 | 42,575,087 | 42,575,087 | 53.29 | 53.29 | 23,394,782 |
| (d) | Financial Institutions/ Banks | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (A)(1) | 2 | 47,417,239 | 47,417,239 | 77.01 | 77.01 | 23,394,782 | 45,417,239 | 45,417,239 | 56.84 | 56.84 | 23,394,782 |

| Category code | Category of shareholder | Pre-Issue | | | | | | Post-Issue | | | | |
|---------------|---|------------------------|------------------------|--|---|-----------------------|--|------------------------|--|---|-----------------------|--|
| | | Number of shareholders | Total number of shares | Number of shares held in dematerialised form | Total shareholding as a % of total number of shares | | Shares Pledged or otherwise encumbered | Total number of shares | Number of shares held in dematerialised form | Total shareholding as a % of total number of shares | | Shares Pledged or otherwise encumbered |
| | | | | | As a % of (A + B) | As a % of (A + B + C) | | | | As a % of (A + B) | As a % of (A + B + C) | |
| (2) | Foreign | | | | | | | | | | | |
| (a) | Individuals (Non-Resident Individuals/ Foreign Individuals) | - | - | - | - | - | - | - | - | - | - | - |
| (b) | Bodies Corporate | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Institutions | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Qualified Foreign Investor | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (A)(2) | - | - | - | - | - | - | - | - | - | - | - |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | 2 | 47,417,239 | 47,417,239 | 77.01 | 77.01 | 23,394,782 | 45,417,239 | 45,417,239 | 56.84 | 56.84 | 23,394,782 |
| (B) | Public shareholding | | | | | | | 34,480,571 | 21,372,123 | 43.16 | 43.16 | - |
| (1) | Institutions | | | | | | | | | | | |
| (a) | Mutual Funds/ UTI | - | - | - | - | - | - | | | | | |
| (b) | Financial Institutions/ Banks | - | - | - | - | - | - | | | | | |
| (c) | Central Government/ State Government(s) | - | - | - | - | - | - | | | | | |
| (d) | Venture Capital Funds | - | - | - | - | - | - | | | | | |
| (e) | Insurance Companies | - | - | - | - | - | - | | | | | |
| (f) | Foreign Institutional Investors | - | - | - | - | - | - | | | | | |
| (g) | Foreign Venture Capital Investors | - | - | - | - | - | - | | | | | |
| (h) | Qualified Foreign Investor | - | - | - | - | - | - | | | | | |
| (i) | Any Other (specify) | - | - | - | - | - | - | | | | | |
| | Sub-Total (B)(1) | - | - | - | - | - | - | | | | | |
| (2) | Non-institutions | | | | | | | | | | | |
| (a) | Bodies Corporate | 10 | 10,963,398 | 394,939 | 17.81 | 17.81 | | | | | | |
| (b) | Individuals | | | | | | | | | | | |
| (i) | Individual shareholders holding nominal share capital up to ₹ 1 lakh. | 3 | 2,131 | 2,131 | 0.00 | 0.00 | | | | | | |
| (ii) | Individual shareholders holding nominal share capital in excess of ₹ 1 lakh. | 20 | 557,973 | 557,973 | 0.91 | 0.91 | | | | | | |
| (c) | Qualified Foreign Investor | - | - | - | - | - | - | | | | | |
| (d) | Any Other | | | | | | | | | | | |
| | Foreign Bodies Corporate | 1 | 2,540,084 | 95 | 4.13 | 4.13 | - | | | | | |
| | HUF | 3 | 90,580 | 90,580 | 0.15 | 0.15 | - | | | | | |
| | Directors & their Relatives & Friends | 1 | 178 | 178 | 0.00 | 0.00 | - | | | | | |
| | Sub-Total (B)(2) | 38 | 14,154,344 | 1,045,896 | 22.99 | 22.99 | - | | | | | |
| | Total Public Shareholding (B)= (B)(1)+(B)(2) | 38 | 14,154,344 | 1,045,896 | 22.99 | 22.99 | - | 34,480,571 | 21,372,123 | 43.16 | 43.16 | |
| | TOTAL (A)+(B) | 40 | 61,571,583 | 48,463,135 | 100.00 | 100.00 | 23,394,782 | 79,897,810 | 66,789,362 | 100.00 | 100.00 | 23,394,782 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | | | | | | | | | | | |
| (1) | Promoter and Promoter Group | - | - | - | - | - | - | | | | | |
| (2) | Public | - | - | - | - | - | - | | | | | |
| | TOTAL (A)+(B)+(C) | 40 | 61,571,583 | 48,463,135 | 100.00 | 100.00 | 23,394,782 | 79,897,810 | 66,789,362 | 100.00 | 100.00 | 23,394,782 |

6. The list of public Shareholders holding more than 1% of the pre-Issue paid up capital of our Company is as follows:

| S. No. | Name of the Shareholder | No. of Equity Shares | Percentage of Equity Share Capital (%) |
|--------|--------------------------------------|----------------------|--|
| 1. | India Advantage Fund | 10,434,779 | 16.95 |
| 2. | NYLIM Jacob Ballas India Holdings IV | 2,540,084 | 4.13 |
| | Total | 12,974,863 | 21.08 |

7. The list of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, 10 days before the date of filing and two years prior the date of filing of this Red Herring Prospectus are set forth below:

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

| S. No. | Name of the Shareholder | No. of Equity Shares | Percentage of Equity Share Capital (%) |
|--------|--|----------------------|--|
| 1. | Thrill Park | 44,575,087 | 72.40 |
| 2. | India Advantage Fund | 10,434,779 | 16.95 |
| 3. | Manmohan Shetty | 2,842,152 | 4.62 |
| 4. | NYLIM Jacob Ballas India Holdings IV | 2,540,084 | 4.13 |
| 5. | Echjay Industries Private Limited | 144,928 | 0.24 |
| 6. | Jacob Ballas Capital India Private Limited | 133,689 | 0.22 |
| 7. | Cassinath Truckers Private Limited | 72,464 | 0.12 |
| | MAA Group Holdings Private Limited | 72,464 | 0.12 |
| | Manoj J Doshi | 72,464 | 0.12 |
| | Suman Kant Munjal | 72,464 | 0.12 |
| 8. | C K Gupta HUF | 36,232 | 0.06 |
| | Dilipkumar Tanna | 36,232 | 0.06 |
| | Suresh Chandra Rajpal | 36,232 | 0.06 |
| | Meso Private Limited | 36,232 | 0.06 |
| | Pallasanna Krishna Subramanian HUF | 36,232 | 0.06 |
| | Umed A Fifadra | 36,232 | 0.06 |
| | Vikramjeet Singh Mamik | 36,232 | 0.06 |
| | Total | 61,214,199 | 99.42 |

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

| S. No. | Name of the Shareholder | No. of Equity Shares | Percentage of Equity Share Capital (%) |
|--------|--|----------------------|--|
| 1. | Thrill Park | 44,575,087 | 72.40 |
| 2. | India Advantage Fund | 10,434,779 | 16.95 |
| 3. | Manmohan Shetty | 2,842,152 | 4.62 |
| 4. | NYLIM Jacob Ballas India Holdings IV | 2,540,084 | 4.13 |
| 5. | Echjay Industries Private Limited | 144,928 | 0.24 |
| 6. | Jacob Ballas Capital India Private Limited | 133,689 | 0.22 |
| 7. | Cassinath Truckers Private Limited | 72,464 | 0.12 |
| | MAA Group Holdings Private Limited | 72,464 | 0.12 |
| | Manoj J Doshi | 72,464 | 0.12 |
| | Suman Kant Munjal | 72,464 | 0.12 |
| 8. | C K Gupta HUF | 36,232 | 0.06 |
| | Dilipkumar Tanna | 36,232 | 0.06 |
| | Suresh Chandra Rajpal | 36,232 | 0.06 |
| | Meso Private Limited | 36,232 | 0.06 |
| | Pallasanna Krishna Subramanian HUF | 36,232 | 0.06 |
| | Umed A Fifadra | 36,232 | 0.06 |

| S. No. | Name of the Shareholder | No. of Equity Shares | Percentage of Equity Share Capital (%) |
|--------|-------------------------|----------------------|--|
| | Vikramjeet Singh Mamik | 36,232 | 0.06 |
| | Total | 61,214,199 | 99.42 |

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

| S. No. | Name of the Shareholder | No. of Equity Shares | Percentage of Equity Share Capital (%) |
|--------|------------------------------------|----------------------|--|
| 1. | Thrill Park | 43,571,341 | 94.98 |
| 2. | Centrum Financial Services Limited | 2,295,455 | 5.00 |
| 3. | Shashikala Shetty | 1,775 | 0.00 |
| 4. | Aarti Shetty | 1,775 | 0.00 |
| 5. | Manmohan Shetty | 1,242 | 0.00 |
| 6. | Kapil Bagla | 178 | 0.00 |
| 7. | Chandir Gidwani | 178 | 0.00 |
| 8. | Deepak Agrawal | 178 | 0.00 |
| | Total | 45,872,122 | 100.0 |

⁽¹⁾ Our Company had only eight shareholders two years prior to the date of filing of this Red Herring Prospectus.

8. Details of the Equity Shares held by our Directors

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

| S. No. | Name | No. of Equity Shares | Pre-Issue (%) | Post-Issue (%) |
|--------|-----------------|----------------------|---------------|----------------|
| 1. | Manmohan Shetty | 2,842,152 | 4.62 | 3.56 |
| 2. | Kapil Bagla | 178 | 0.00 | 0.00 |

9. As on the date of this Red Herring Prospectus, our Company does not have an employee stock option plan.
10. As on the date of this Red Herring Prospectus, the GCLMs and their respective associates do not hold any Equity Shares in our Company except Chandir Gidwani, who is a non-executive director on the board of Centrum, holds 178 Equity Shares.
11. Any under-subscription in any category, except QIBs would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the GCLMs and the Designated Stock Exchange.
12. As on the date of this Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.
13. **Details of the Equity Shares held by the directors of our Promoter, Thrill Park**

Set out below are details of the Equity Shares held by the directors of our Promoter, Thrill Park:

| S. No. | Name | No. of Equity Shares | Pre-Issue (%) | Post-Issue (%) |
|--------|-----------------|----------------------|---------------|----------------|
| 1. | Manmohan Shetty | 2,842,152 | 4.62 | 3.56 |
| 2. | Kapil Bagla | 178 | 0.00 | 0.00 |

14. Except as disclosed below, none of our Promoters, Promoter Group or Directors have purchased/subscribed or sold any securities of our Company within three years immediately preceding the date of filing this Red Herring Prospectus which in aggregate is equal to or greater than 1% of pre-Issue capital of our Company:

| Particulars | Thrill Park (Promoter) | Manmohan Shetty (Promoter, Chairman and Managing Director) |
|--|------------------------|--|
| Total No. of Equity Shares subscribed / purchased | 3,707,229 | 2,840,910 |
| Pre-Issue (%) | 6.02 | 4.61 |
| Post-Issue (%) | 4.64 | 3.56 |
| Total No. of Equity Shares sold/transferred | 1,043,483 | - |
| Pre-Issue (%) | 1.69 | - |
| Post-Issue (%) | 1.31 | - |

15. Details of Equity Shares issued by our Company at a price that may be lower than the Issue Price during a period of one year preceding the date of their Red Herring Prospectus are set out in the table below:

| Sr. No. | Name of Allottee | Date of Allotment | No. of Equity Shares | Issue Price (₹) | Reason |
|---------|--|-------------------|----------------------|-----------------|--|
| 1. | NYLIM Jacob Ballas India Holdings IV | October 10, 2014 | 95 | 230 | Preferential Allotment under JB Investment Agreement |
| 2. | Jacob Ballas Capital India Private Limited | October 10, 2014 | 5 | 230 | Preferential Allotment under JB Investment Agreement |
| 3. | India Advantage Fund | January 30, 2015 | 10,434,775 | 138 | Allotment pursuant to conversion of IAF CCDs |
| 4. | NYLIM Jacob Ballas India Holdings IV | January 30, 2015 | 2,539,989 | 187 | Allotment pursuant to conversion of compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV under the Pre-IPO Placement |
| 5. | Jacob Ballas Capital India Private Limited | January 30, 2015 | 133,684 | 187 | Allotment pursuant to conversion of compulsorily convertible debentures issued to Jacob Ballas Capital India Private Limited under the Pre-IPO Placement |

16. None of the members of the Promoter Group, the Promoters, directors of Promoter, or our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with the SEBI.
17. As of the date of the filing of this Red Herring Prospectus, the total number of our Shareholders is 40.
18. Our Company, the Selling Shareholder, our Directors and the GCLMs have not entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person.
19. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares as on the date of this Red Herring Prospectus.

20. Our Company has not issued any Equity Shares out of revaluation reserves.
21. All Equity Shares issued pursuant to the Issue will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Red Herring Prospectus.
22. Any oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.
23. Except the sale of Equity Shares in the Offer for Sale by Thrill Park, our Promoters, Promoter Group and Group Companies will not participate in the Issue.
24. There have been no financial arrangements whereby our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity during a period of six months preceding the date of filing of the Draft Red Herring Prospectus.
25. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under this Issue; and (b) any issuance, offer, sale or any other transfer or transaction of a kind referred to above of any Equity Shares under or in connection with the exercise of any options or similar securities, as disclosed in this Red Herring Prospectus and as will be disclosed in the Red Herring Prospectus and the Prospectus, provided they have been approved by our Board.
26. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Red Herring Prospectus with the RoC until the Equity Shares have been listed on the Stock Exchanges.
27. In terms of Rule 19(2)(b) of the SCRR, this is an Issue for at least 25% of the post-Issue capital of our Company. The Issue is being made under Regulation 26(2) of the SEBI ICDR Regulations and through a Book Building Process wherein at least 75% of the Issue shall be allotted on a proportionate basis to QIBs. Our Company may, in consultation with the Selling Shareholder and GCLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Kindly note that Allotment, amongst other conditions mentioned in this Red Herring Prospectus, shall be undertaken upon receipt of valid Bids equivalent to at least 25% of the Issue (including Bids received under the Anchor Investor Portion) from Mutual Funds and/or insurance companies registered with IRDA.
28. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Selling Shareholder, GCLMs and the Designated Stock Exchange. At least 75% of the Issue shall be allotted to QIBs, failing which the entire application money shall be refunded forthwith.
29. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

OBJECTS OF THE ISSUE

The Issue comprises Fresh Issue and an Offer for Sale.

Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale.

Requirement of Funds

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

1. Partial repayment or pre-payment of the Consortium Loan; and
2. General corporate purposes (collectively, referred to herein as the “Objects”).

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

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

Issue Proceeds and Net Proceeds

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

| Particulars | Amount (in ₹ million) |
|---|-----------------------|
| Gross proceeds of the Issue | [●] ⁽³⁾ |
| (Less) Issue related expenses ⁽¹⁾⁽²⁾ | [●] |
| (Less) Offer for Sale portion | [●] |
| Net Proceeds ⁽¹⁾ | [●] |

⁽¹⁾ To be finalised upon determination of the Issue Price.

⁽²⁾ Proportionate Issue related expenses borne by our Company would be included. Except for the listing fee which will be borne by our Company, all expenses relating to the Issue will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares contributed to the Issue.

⁽³⁾ Includes, the proceeds, received pursuant to the Pre-IPO Placement. Upon the allotment of Equity Shares and convertible securities issued pursuant to the Pre-IPO Placement, our Company has utilised the proceeds from the Pre-IPO Placement towards General Corporate Purposes, including for operating expenses, payment of interest to banks and financial institutions, payment of salaries to employees and other corporate expenses, prior to the completion of the Issue.

Utilization of Net Proceeds

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

| Particulars | Amount (in ₹ million) |
|---|-----------------------|
| Partial repayment or pre-payment of the Consortium Loan | 3,300.00 |
| General corporate purposes ⁽¹⁾ | [●] |
| Total Net Proceeds | [●] |

⁽¹⁾ To be finalised upon determination of the Issue Price.

The fund requirements for the Objects are based on internal management estimates and have not been appraised by any bank or financial institution.

Means of Finance

The fund requirements described below are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 4(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue.

Deployment of Net Proceeds

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

| <i>(In ₹ million)</i> | | |
|---|----------|------------------|
| Activity | Total | Fiscal Year 2016 |
| Partial repayment or pre-payment of the Consortium Loan | 3,300.00 | 3,300.00 |
| General corporate purposes | [●] | [●] |

The funds deployment described herein is based on management estimates and current circumstances of our business. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment of funds on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. In case of any increase in the actual utilisation of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. 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 proceeds from the Fresh Issue in accordance with Regulation 4(4) of the SEBI ICDR Regulations.

Details of the Objects of the Fresh Issue

1. Partial repayment or pre-payment of the Consortium Loan

Our Company has availed of Consortium Loan through the Common Loan Agreement for capital expenditure towards the development of Adlabs Mumbai, which includes the theme park, the water park, the hotel and retail, dining and entertainment facilities (collectively, the “Project”) and for repayment of the loan from Syndicate Bank (the “Short Term Loan”), which was also obtained for the development of the Project. The amount sanctioned under the Consortium Loan aggregated ₹ 11,000 million as of December 31, 2014. Further, the amount outstanding under the Consortium Loan, including interest accrued and due, bank guarantee and letter of credit as of December 31, 2014 was ₹ 10,865.19 million. For further details of the terms and conditions of the Consortium Loan, see the section “Financial Indebtedness” on pages 256 to 261.

Our Company intends to utilise ₹ 3,300.00 million to proportionately repay and/or pre-pay a part of the Consortium Loan. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness and our debt-equity ratio. We believe that reducing our indebtedness will result in an enhanced equity base, assist us in maintaining a favourable debt-equity ratio in the near future and enable utilization of our accruals for further investment in business growth and expansion in new projects. In addition, we believe that the leverage capacity of our Company will improve significantly to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business in the coming years.

Further, our Company has, through its application dated March 22, 2014 sought the approval of the Consortium Lenders for extension of the commissioning schedule of Adlabs Mumbai to April 1, 2015. Pending the receipt of certain outstanding consents, the moratorium is currently in effect and our Company has agreed to commence repayment of the outstanding principal amount from April 30, 2015.

The following table provides the details of the Consortium Loan which shall be repaid or pre-paid in part from the Net Proceeds:

| Sr. No. | Lenders | Particulars of the documentation | Amount Sanctioned as on December 31, 2014 (in ₹ million) ⁽¹⁾ | Amount availed of and outstanding (including interest) as on December 31, 2014 (in ₹ million) ⁽¹⁾ | Interest rate (% per annum) | Purpose | Repayment Schedule |
|---------|--|--|---|--|--|---|---|
| 1. | Bank of Baroda (“BOB”), Bank of India (“BOI”), Central Bank of India (“CBI”), Corporation Bank (“CB”), Dena Bank (“DB”), Indian Overseas Bank (“IOB”), Jammu and Kashmir Bank (“J&K Bank”), Life Insurance Corporation of India (“LIC”), Punjab & Sind Bank (“PSB”), Syndicate Bank (“SB”), Tourism Finance Corporation of India (“TFCI”), Union Bank of India (“UBI”), and Vijaya Bank (“VB”) | Common Loan Agreement dated March 20, 2012 and the sanction letters issued by each of the Consortium Lenders | Aggregate amount: 11,000.00 ⁽³⁾ | 10,865.19 | Base rate (%) (“BR”), Basis points (“bps”) | The development of the Project and repayment or pre-payment of the Short Term Loan. | Our Company is required to repay the Consortium Loan in 108 monthly repayment instalments as specified in the amortisation schedule. The last repayment instalment is payable on March 31, 2024. ⁽²⁾ |
| | | | BOB: 1,000.00 | 981.43 | BR 10.25 + 275 bps = 13.00 | | |
| | | | BOI: 750.00 | 743.23 | BR 10.20 + 275 bps = 12.95 | | |
| | | | CBI: 650.00 | 651.56 | BR 10.25 + 275 bps = 13.00 | | |
| | | | CB: 850.00 | 840.32 | BR 10.25 + 285 bps = 13.10 | | |
| | | | DB: 560.00 | 554.95 | BR 10.25 + 285 bps = 13.10 | | |
| | | | IOB: 1,150.00 | 1,173.45 | BR 10.25 + 285 bps = 13.10 | | |
| | | | J&K Bank: 850.00 | 847.67 | BR 10.25 + 300 bps = 13.25 | | |
| | | | LIC: 550.00 | 523.80 | UBI BR 10.25 + 285 bps = 13.10 | | |
| | | | PSB: 650.00 | 651.15 | BR 10.25 + 285 bps = 13.10 | | |
| | | | SB: 650.00 | 659.68 | BR 10.25 + 275 bps = 13.00 | | |
| | | | TFCI: 400.00 | 390.26 | UBI BR 10.25 + 285 bps = 13.10 | | |
| | | | UBI: 2,380.00 | 2,285.44 | BR 10.25 + 285 bps = 13.10 | | |
| | | | VB: 560.00 | 562.26 | BR 10.25 + 285 bps = 13.10 | | |

⁽¹⁾ As certified by A.T. Jain & Co., Chartered Accountants, the Statutory Auditors of our Company, through their certificates, each dated January 31, 2015. Further, the Statutory Auditors have confirmed that as at December 31, 2014, our Company has utilised the Consortium Loan for the purpose for which the Consortium Loan was availed.

⁽²⁾ However, to the extent our Company has sufficient cash flows to service the Consortium Loan, the Consortium Lenders shall be entitled to advance the repayment dates, as specified in the Common Loan Agreement. In addition, our Company has, through its application dated March 22, 2014 sought the approval of the Consortium Lenders for extension of the commissioning schedule of Adlabs Mumbai to April 1, 2015. Pending the receipt of certain outstanding consents, the moratorium is currently in effect and our Company has agreed to commence repayment of the outstanding principal amount from April 30, 2015.

The aforesaid amounts sanctioned also include sub-limit amounts sanctioned towards letters of credit (“LC”), buyer’s credit (“BC”) and bank guarantee facilities as per the details mentioned below:

| Sr. No. | Consortium Lender | Amount (in ₹ million) |
|---------|-------------------|-----------------------|
| 1. | IOB | 399.70 |

| Sr. No. | Consortium Lender | Amount (in ₹ million) |
|---------|-------------------|-----------------------|
| 2. | J&K Bank | 850.00 |
| 3. | SB | 500.00 |
| 4. | UBI | 2,380.00 |
| | Total | 4,129.70 |

The Common Loan Agreement stipulates levy of prepayment penalties or premium. We will take such provisions into consideration at the time of repaying and/ or pre-paying the Consortium Loan from the Net Proceeds. Payment of such pre-payment penalty or premium, if any, shall not be made by our Company out of the Net Proceeds and will instead be paid by our Company from its internal accruals. We may also be required to provide notice to the Consortium Lenders prior to pre-payment.

2. General Corporate Purposes

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

The total amount to be utilized towards general corporate purposes will not exceed 25% of the proceeds from the Fresh Issue in accordance with Regulation 4(4) of the SEBI ICDR Regulations.

Bridge Financing Facilities

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

Interim use of Net Proceeds

Our Company, in accordance with the policies formulated by the Board of Directors from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to invest the funds in high quality interest-bearing liquid instruments including money market mutual funds, deposits with banks for necessary duration and investment grade interest bearing securities, as may be approved by our Board of Directors.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The Issue expenses consist of listing fees, underwriting fees, selling commission, fees payable to the GCLMs, legal counsel, Registrar to the Issue, Bankers to the Issue including processing fee to the SCSBs for processing Bid cum Application Forms submitted by ASBA Bidders procured by the members of the Syndicate and submitted to SCSBs, Escrow Bankers and to the Registrar to the Issue, printing and stationary expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Issue other than listing fees will be paid by and shared between our Company and the Selling Shareholder in proportion to the Equity Shares contributed to the Issue. The break-up for the estimated Issue expenses are as follows:

| Activity | Amount ⁽¹⁾ (₹ in million) | As a % of total expenses ⁽¹⁾ | As a % of Issue ⁽¹⁾ |
|--|---|--|-----------------------------------|
| Payment to GCLMs (including underwriting commission, brokerage and selling commission) | [●] | [●] | [●] |
| Commission and processing fees for SCSBs ⁽²⁾ | [●] | [●] | [●] |
| Brokerage and selling commission for Registered Brokers | [●] | [●] | [●] |
| Registrar to the Issue | [●] | [●] | [●] |
| Other advisers to the Issue | [●] | [●] | [●] |
| Bankers to the Issue | [●] | [●] | [●] |
| Others: Listing fees; Printing and stationary expenses; | [●] | [●] | [●] |

| Activity | Amount ⁽¹⁾ (₹ in million) | As a % of total expenses ⁽¹⁾ | As a % of Issue ⁽¹⁾ |
|--|---|--|-----------------------------------|
| Advertising and marketing; and Miscellaneous. | | | |
| Total estimated Issue expenses | [●] | [●] | [●] |

(1) Will be completed after finalisation of the Issue Price.

(2) SCSBs will be entitled to a processing fee of ₹ 15 per Bid cum Application Form for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs.

Commission payable to the Registered Brokers

The commission payable to the Registered Brokers shall be as specified below:

| Size of the Bid cum Application Form | Commission payable |
|--------------------------------------|---|
| ₹ 10,000 to ₹ 100,000 | ₹ 10 per Bid cum Application Form on valid Bids |
| Greater than ₹ 100,000 | ₹ 15 per Bid cum Application Form on valid Bids |

The total commission to be paid to the Registered Brokers for the Bid cum Applications Forms procured by them, which are considered eligible for allotment in the Issue, shall be capped at ₹ 0.50 million (the “Maximum Brokerage”). In case the total commission payable to the Registered Brokers exceeds the Maximum Brokerage, then the amount paid to the Registered Brokers would be proportionately adjusted such that the total commission payable to them does not exceed the Maximum Brokerage. The quantum of commission payable to Registered Brokers is determined on the basis of Bid cum Applications Forms. The terminal from which the Bid has been uploaded will be taken into account in order to determine the commission payable to the relevant Registered Broker.

Monitoring of Utilisation of Funds

In terms of Regulation 16 of the SEBI ICDR Regulations, as the size of the Fresh Issue including the Pre-IPO Placement is less than ₹ 5,000 million, there is no requirement for appointment of a monitoring agency. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the listing.

Pursuant to Clause 49 of the Equity Listing Agreement, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company.

Further, in accordance with Clause 43A of the Equity Listing Agreement, our Company will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the utilisation of the Net Proceeds from the Objects stated above. This information will also be published in newspapers simultaneously, or along with the interim or annual financial results, after placing the same before the Audit Committee.

Variation in Objects

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

Other Confirmations

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

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the GCLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections “Our Business”, “Risk Factors”, “Consolidated Financial Statements” and “Standalone Financial Statements” on pages 111, 17, 170 and 208, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- A. Uniquely positioned to capitalise on the increasing propensity of Indians to spend on entertainment;
- B. Strategically located in an attractive catchment area;
- C. Rides and attractions of international quality standards which are customised to Indian tastes and preferences;
- D. Competitive advantage through entry barriers;
- E. Well-positioned brand and marketing focus; and
- F. Proven and experienced management team and execution strength.

For further details, see the section “Our Business - Our Competitive Strengths” on pages 112 to 114.

Quantitative Factors

The information presented below relating to our Company is based on the audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

For details, see the sections “Consolidated Financial Statements” and “Standalone Financial Statements” on pages 170 and 208, respectively.

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

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

As per the restated standalone summary statements

| Fiscal year ended / Period ended | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|---|------------------|--------------------|--------|
| March 31, 2012 | (0.17) | (0.17) | 1 |
| March 31, 2013 | (0.40) | (0.40) | 2 |
| March 31, 2014 | (11.23) | (11.23) | 3 |
| Weighted Average | (5.78) | (5.78) | |
| Six months period ended September 30, 2014 (not annualized) | (11.04) | (11.04) | |

As per the restated consolidated summary statements

| Fiscal year ended / Period ended | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|---|------------------|--------------------|--------|
| Six months period ended September 30, 2014 (not annualized) | (11.05) | (11.05) | |

NOTES:

- 1) EPS calculation is in accordance with Accounting Standard 20 “Earnings per share” issued by ICAI

| | |
|--------------------------------------|---|
| (a) Basic Earnings per share (Rs.) | $\frac{\text{Net profit after tax (as restated) attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/ year}}$ |
| (b) Diluted Earnings per share (Rs.) | $\frac{\text{Net profit after tax (as restated)}}{\text{Weighted average number of diluted equity shares outstanding during the period/year}}$ |
- 2) The IAF CCDs were converted into 10,434,775 Equity Shares on January 30, 2015. However, impact of this issuance being anti-dilutive in nature, it has not been considered for calculation of diluted EPS.
- 3) The face value of each Equity Share is ₹ 10.
- 4) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Summary Statements as appearing in Annexure IVC in the sections “Consolidated Financial Statements” and “Standalone Financial Statements” on pages 181 and 220, respectively.
- 5) The weighted average number of shares has not been adjusted for any primary issue of share capital post September 2014.

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

| Particulars | P/E at the lower end of the Price Band (no. of times) | P/E at the higher end of the Price Band (no. of times) |
|--|---|--|
| Based on standalone EPS for the Six months period ended September 30, 2014 | [●] | [●] |
| Based on standalone EPS for the year ended March 31, 2014 | [●] | [●] |
| Based on standalone weighted average EPS | [●] | [●] |

| Particulars | P/E at the lower end of the Price Band (no. of times) | P/E at the higher end of the Price Band (no. of times) |
|--|---|--|
| Based on consolidated EPS for the Six months period ended September 30, 2014 | [●] | [●] |

Industry P/E ratio

On the basis of public companies whose business profile is comparable to our business, Wonderla Holidays Limited is the only relevant listed company in the industry in which we operate. Wonderla Holidays Limited had a P/E ratio of 32.94 calculated as price per share as on February 3, 2015/ EPS (Basic).

C. Return on Net Worth (“RoNW”)

As per the restated standalone summary statements

| Fiscal year ended / Period ended | RoNW (%) | Weight |
|---|----------|--------|
| March 31, 2012 | (0.26) | 1 |
| March 31, 2013 | (0.57) | 2 |
| March 31, 2014 | (16.74) | 3 |
| Weighted Average | (8.60) | |
| Six months period ended September 30, 2014 (not annualized) | (20.58) | |

As per the restated consolidated summary statements

| Fiscal year ended / Period ended | RoNW (%) | Weight |
|---|----------|--------|
| Six months period ended September 30, 2014 (not annualized) | (20.59) | |

Note: Return on Net Worth has been computed as Net Profit after tax (as restated) divided by Net Worth at the end of the period/ year.

D. Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2014

- 1) Based on Basic EPS:
 - At the Floor Price – [●]
 - At the Cap Price – [●]
- 2) Based on Diluted EPS:
 - At the Floor Price – [●]
 - At the Cap Price – [●]

E. Net Asset Value per Equity Share

As per the restated standalone summary statements

| Fiscal year ended / Period ended | (₹) |
|--|-----|
| March 31, 2012 | 60 |
| March 31, 2013 | 67 |
| March 31, 2014 | 65 |
| Six months period ended September 30, 2014 | 54 |
| Issue price | [●] |
| After the issue | [●] |

As per the restated consolidated summary statements

| Fiscal year ended / Period ended | (₹) |
|--|-----|
| Six months period ended September 30, 2014 | 54 |
| Issue price | [●] |
| After the issue | [●] |

Note: Net Asset Value per Equity Share has been computed as net worth at the end of the period/ year divided by total number of equity shares outstanding at the end of the period/ year.

F. Comparison with Listed Industry Peers

| Name of the company | Revenue from operations ⁽¹⁾ (₹ in million) | Face Value per Equity Share (₹) | P/E | EPS (Basic) ⁽²⁾ (₹) | Return on Net Worth ⁽³⁾ (%) | Net Asset Value / Share ⁽⁴⁾ (₹) |
|--|---|---------------------------------|-------|--------------------------------|--|--|
| Our Company* | 1069.18 | 10.00 | n/a | (11.23) | (16.74) | 65.00 |
| Peer Group | | | | | | |
| Wonderla Holidays Limited ⁽⁶⁾ | 1,560.06 | 10.00 | 32.94 | 9.50 | 26.61 | 35.70 |

All financial information is based on consolidated financial statements for the financial year ending March 31, 2014.

**Imagica – The Theme Park became fully operational on November 1, 2013 and for a period of approximately six months prior to November 1, 2013, some of the rides and attractions were open to the public.*

1. *Revenue indicates Total Revenue*
2. *EPS - basic reported as in company filings*
3. *Return on Net Worth has been computed as Net Profit after tax (as restated) divided by Net Worth at the end of March 2014*
4. *Net Asset Value per Equity Share has been computed as net worth divided by total number of equity shares outstanding at the end of March, 2014*
5. *P/E is calculated as Price as on February 3, 2015 / EPS (Basic). Price source: BSE*
6. *Financials of Wonderla Holidays Limited are as per its 2013-14 annual report.*

G. The Issue price will be [●] times of the face value of the Equity Shares.

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

Investors should read the above mentioned information along with the sections “Risk Factors”, “Consolidated Financial Statements” and “Standalone Financial Statements” on pages 17, 170 and 208 respectively, to have a more informed view.

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY (INCLUDING ITS RELEVANT SUBSIDIARY) AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To
The Board of Directors
Adlabs Entertainment Limited
30/31, Sangdewadi,
Khopoli- Pali Road,
Taluka- Khalapur,
Dist: Raigad, Pin 410203

Dear Sirs,

Sub: Statement of possible Special Tax Benefits (the 'Statement') available to the M/s Adlabs Entertainment Limited (including its relevant subsidiaries) and its shareholders

We hereby confirm that there are no special tax benefits available to M/s Adlabs Entertainment Limited ('the Company') (including its relevant subsidiaries) and the shareholders of the Company under the Income Tax Act, 1961 ('Act') and the Wealth Tax Act, 1957 (collectively referred to as Tax Laws), presently in force in India (i.e. applicable for the Accounting year 2014-15 relevant to the Assessment year 2015-16).

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 views are based on the existing provisions of tax law and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

The Direct Tax Code (proposed to replace the Income Tax Act, 1961 and Wealth Tax Act, 1957) may undergo changes by the time it is actually introduced and hence, at the moment, it is unclear when will it come into effect and what effect the proposed Direct Tax Code would have on the Company and the investors. We have accordingly made no comment on impact of the proposed Direct Tax Code.

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 (including its relevant subsidiaries).

Special Tax benefits available to the Company under State of Maharashtra tax laws :

Maharashtra Tourism Development Corporation Ltd (A Government of Maharashtra Undertaking) has granted eligibility certificate for certain tax incentives vide TP-2006, notified under government of Maharashtra Resolution No. MTC-2005/CR 172 Tourism dated 16/12/2006. The Theme Park was granted approval vide MTDC letter dt 15/06/2013, Ref no MTDC/2013/Incentive/TP-2006/EC-44.

Under the policy, Company has got an exemption from payment of entertainment tax for an amount equivalent to 100% of the eligible capital investment or for the period of 10 years starting from 15th June 2013, whichever is earlier and the Company is also eligible for concessional rate of electricity duty of 9% (Rate applicable to Industrial unit) instead of 17% (Rate applicable to Commercial unit) for a period of 10 years starting from 15th June 2013.

For **A.T.Jain & Co.**

Chartered Accountants

Firm Registration No.: 103886W

Sushil Jain
Partner
Membership number: 33809
Place: Mumbai
Date: January 31, 2015

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

In this section, we have included data relating to the Parks industry, both internationally and within India, and other statistics. This information is based on industry publications, published sources and other publicly available information, as well as our beliefs. We believe that the sources used are reliable. However, we cannot ensure the accuracy or completeness of underlying assumptions of this information, and none of our Company, the GCLMs or any other person connected with the Issue has independently verified this information. The industry information included in this section may moreover be prepared as of specific dates and may no longer be current or reflect current trends, or may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Investors should not place undue reliance on this industry information.

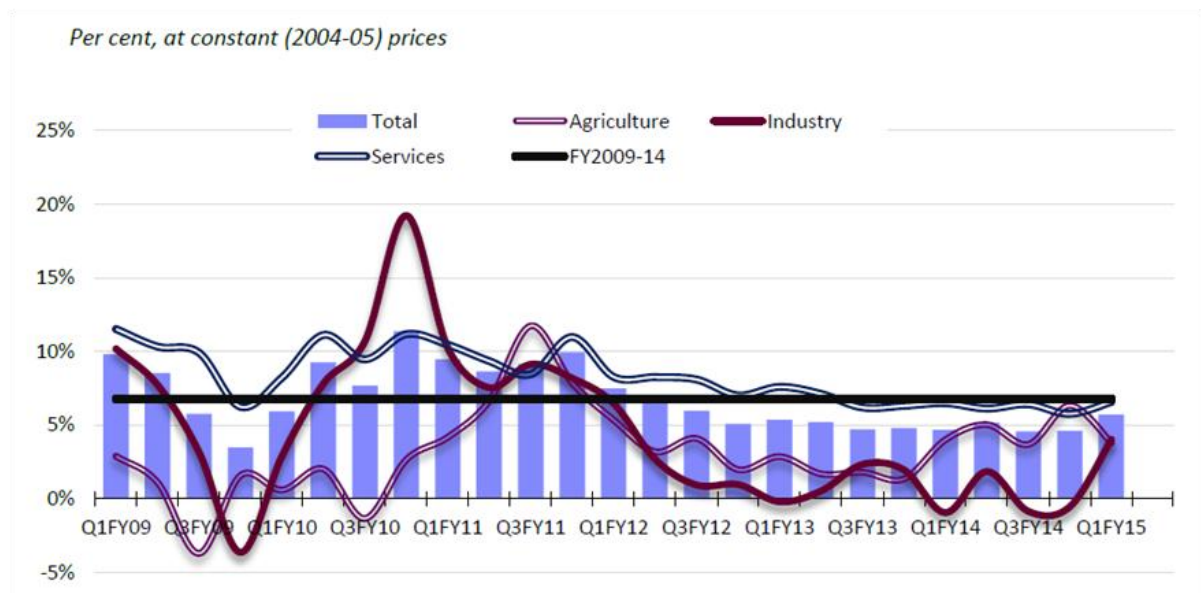
Unless noted otherwise, the information in this section is derived from the “Indian Amusement Parks Industry Report,” dated January 2015 (“IMaCS Report”), by ICRA Management Consulting Services Limited.

For the purposes of this section, “Parks” refer to amusement parks, including theme parks and water parks.

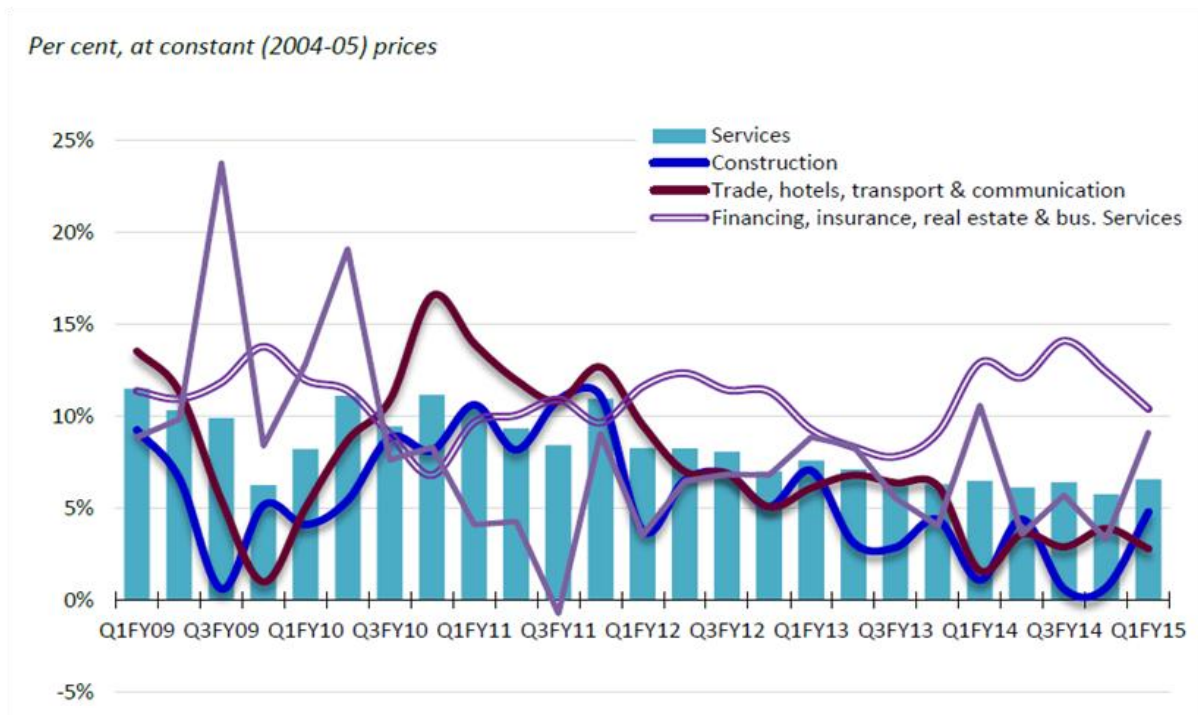
The Indian Economy

The outlook for the Indian economy has improved since the middle of 2013 when India struggled with current account and fiscal deficit, Rupee depreciation and high inflation. During 2014, improvements in the speed of project approvals by the Government and the liberalisation of foreign direct investment norms in certain sectors have led to an increase in economic growth in India.

Between April 1, 2014 and June 30, 2014, GDP growth increased to 5.7% in year-on-year terms from 4.6% in the previous two quarters. GDP growth for the financial year 2015 is expected to increase to 5.3% - 5.5% from 4.7% for the financial year 2014. The chart below illustrates the quarterly growth in GDP for the periods indicated:



In the first quarter of the financial year 2015, service sector growth was 6.8%, which comprised a growth of 10.4% in the financing, insurance, real estate and business services segments and 9.1% in the community, social and personal services segments. The chart below illustrates the quarterly growth in service sector GDP:

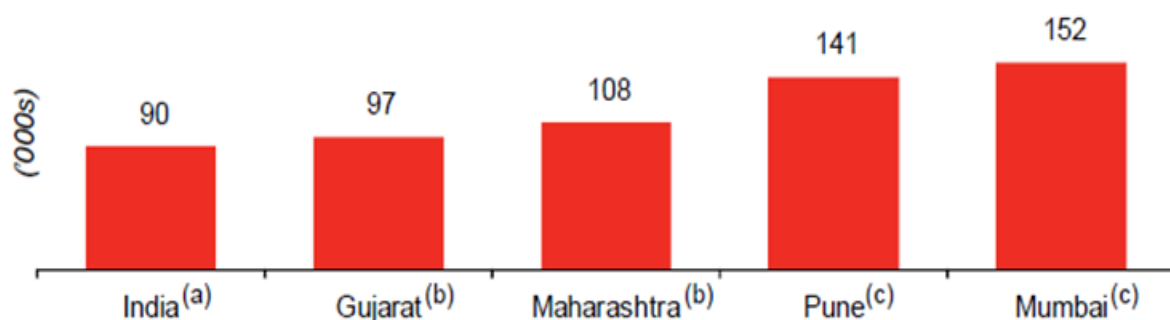


Consumption Pattern

Over the decade commencing 2015, the average household income is expected to triple. India's household consumption spending represents 57% of GDP and is approximately two times greater than investment demand. In India, the majority of consumption expenditure is on food. This pattern is expected to change in the future as proportional expenditure on discretionary items is increasing and expenditure on food is decreasing with the rise in household income.

The consumer spending pattern focuses on services. In 2012, the average expenditure of Indian households on consumer services, such as transport, housing, health, education, leisure, communication and hotels and catering, crossed 40% of private final consumption expenditure. The Indian population is experiencing a shift from low income to middle income groups. The middle class is willing and able to spend on discretionary areas and consumer services such as healthcare, education, recreational activities, personal products and services. The increase in per capita income of the growing middle class leading to an increase in urbanisation. The urban population of India is expected to increase to 35% of the population in 2020 from 31% of the population in 2010.

The chart below illustrates per capita income for certain states and cities in India:



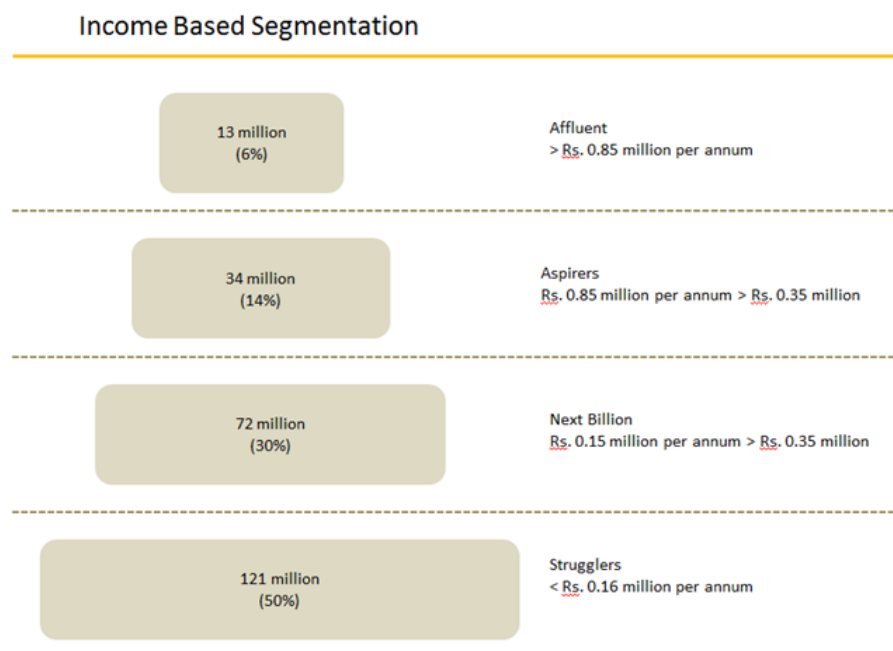
(a) per capita GDP at current prices for 2013

(b) per capita net state domestic product at current prices for the financial year 2013

(c) per capita net district domestic product for the financial year 2013

(Source: Planning Commission, Government of India, dated June 3, 2014, available at: http://planningcommission.nic.in/data/datatable/0306/Databook_June2014.pdf)

Approximately 6% of Indian households belong to the high income group and have been categorised as “Affluent”. Approximately 14% of households belong to a category called “Aspirers” who have an annual income between ₹ 0.35 million and ₹ 0.85 million. Approximately, 30% of Indian households are classified as “Next Billion” who have an annual income of between ₹ 0.15 million and ₹ 0.35 million. The table below illustrates the income structure in India:

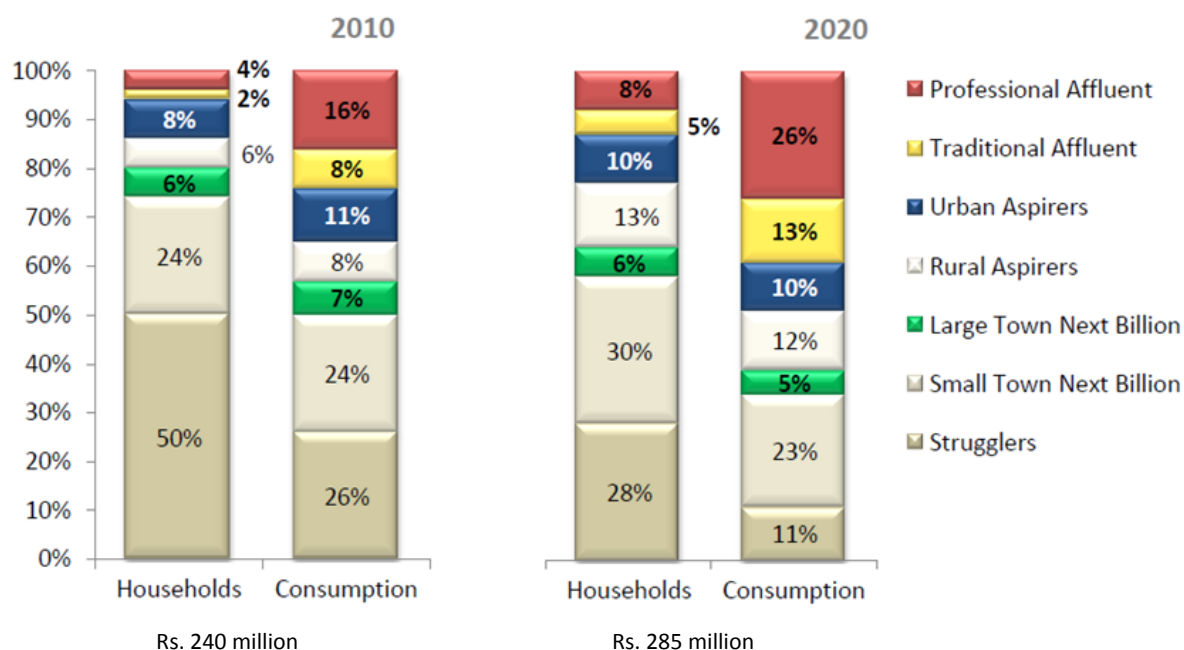


The Indian urban population is expected to increase and is expected to lead to an increase in spending on discretionary areas and consumer services. Between 2010 and 2020, the average household income is expected to triple. By 2020, more than one-third of the Indian population is expected to reach the “Aspirer” class. By 2020, the “Strugglers” class will decrease to 28% from 50% in 2010. With an increasing number of nuclear families in India, households are becoming less traditional and are spending more per capita. In 2010, the share of nuclear households increased to 66% from 61% in 2006. Generally, the per capita spending of nuclear families, including of leisure activities, is between 20% and 50% higher than traditional joint families in similar household income groups.

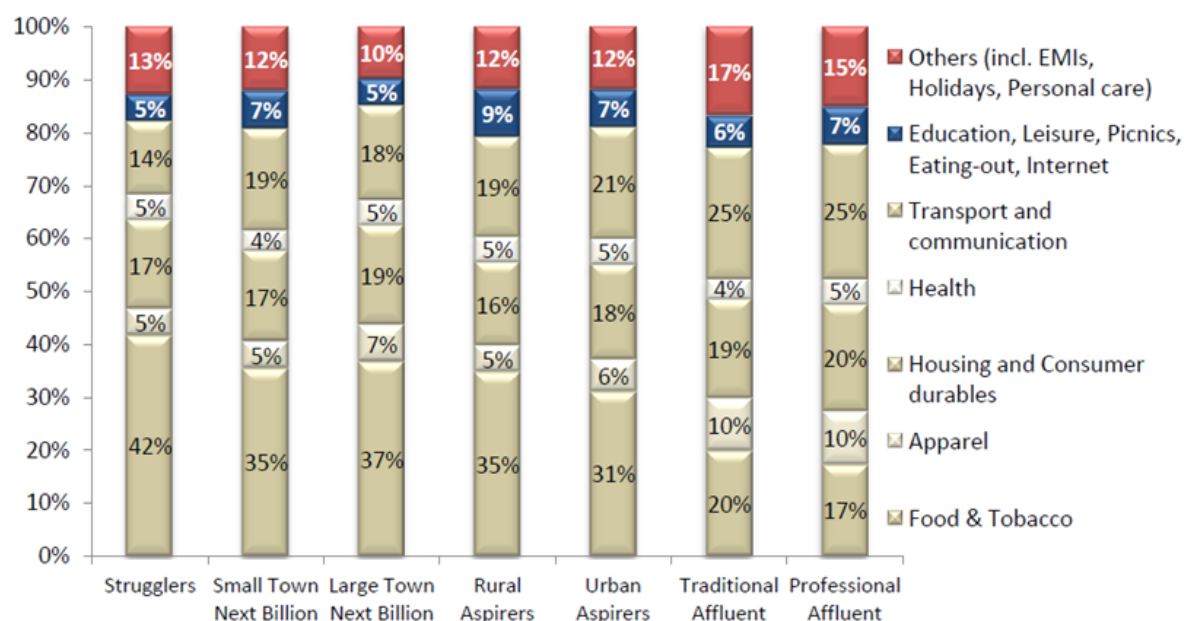
The table below illustrates the consumption patterns of certain classes of household:

| Particulars | Professional Affluent | Traditional Affluent | Urban Aspirer | Large Town Next Billion |
|---|-----------------------|----------------------|---------------|-------------------------|
| | (%) | (%) | (%) | (%) |
| Spend as a percentage of Income | 50-60 | 50-60 | 70-80 | 80-90 |
| Household Budget | | | | |
| Food and Tobacco | 20 | 20 | 30-35 | 40-45 |
| Apparel | 10-15 | 10-15 | 10-15 | 5-10 |
| Housing and Consumer Durables | 20 | 10-15 | 10-15 | 10-15 |
| Health | 5 | 5-10 | 5 | 5 |
| Transport and Communication | 10-15 | 10-15 | 10-15 | 5-10 |
| Education, Leisure, Picnics, Eating Out, Internet | 20-25 | 15-20 | 15-20 | 10-15 |
| Others (including EMIs, Holidays, Personal Care) | 15-20 | 10-15 | 10-15 | 15-20 |

The chart below illustrates the various changes in household categories and the corresponding consumption expenditure in India for the periods indicated:



The chart below illustrates the current split of consumption expenditure for certain household categories in India:



A spend of 2% of annual household income on activities such as leisure, picnics and holidays, translates to spend of ₹ 5,000 per annum (for households with annual income of ₹ 0.25 million) to ₹ 20,000 per annum (for household with annual income of ₹ 1 million).

Thus, as illustrated above, a combination of factors such as a growing middle class, rapid urbanisation and an increase in nuclear families in metropolitan areas/cities which is also extending to smaller towns, is resulting in an increase in discretionary spending and consumer services such as healthcare, outdoor recreation, education, consumer durables and communication.

Rise in Tourism

Domestic tourism in India have shown a growth of 9.6% in 2013 over 2012. The table below sets out the number of cumulative domestic tourists for the last three years along with corresponding growth rate over the previous year:

| Year | Cumulative Domestic Visitors (in million) | Annual Growth Rate (%) |
|------|--|------------------------|
| 2011 | 864.53 | 15.6 |
| 2012 | 1,045.05 | 20.9 |
| 2013 | 1,145.28 | 9.6 |

(Source: India Tourism Statistics at a Glance 2013, available at <http://tourism.gov.in/writereaddata/CMSPagePicture/file/marketresearch/Incredible%20India%20final%2021-7-2014%20english.pdf>)

In 2013, the top five states for domestic tourists were Tamil Nadu, Uttar Pradesh, Andhra Pradesh, Karnataka and Maharashtra. The table below sets out the percentage share of the top ten states in domestic tourists visits in 2013:

| State | Percentage Share |
|----------------|------------------|
| Tamil Nadu | 21.3 |
| Uttar Pradesh | 19.8 |
| Andhra Pradesh | 13.3 |
| Karnataka | 8.6 |
| Maharashtra | 7.2 |
| Madhya Pradesh | 5.5 |
| Rajasthan | 2.6 |
| Gujarat | 2.4 |
| West Bengal | 2.2 |
| Chhattisgarh | 2.0 |
| Others | 15.1 |

(Source: India Tourism Statistics at a Glance 2013, available at <http://tourism.gov.in/writereaddata/CMSPagePicture/file/marketresearch/Incredible%20India%20final%2021-7-2014%20english.pdf>)

The total number of foreign tourist arrivals in India in 2013 was 6.97 million, a 5.9% increase from 2012. The table below sets out the number of foreign tourist arrivals in India for the last three years, along with the corresponding growth rate over the previous year:

| Year | Foreign Tourist Arrivals in India (in million) | Annual Growth (%) |
|------|---|-------------------|
| 2011 | 6.31 | 9.2 |
| 2012 | 6.58 | 4.3 |
| 2013 | 6.97 | 5.9 |

(Source: India Tourism Statistics at a Glance 2013, available at <http://tourism.gov.in/writereaddata/CMSPagePicture/file/marketresearch/Incredible%20India%20final%2021-7-2014%20english.pdf>)

In 2013, the top five states visited by foreign tourists were Maharashtra, Tamil Nadu, Delhi, Uttar Pradesh and Rajasthan. The table below sets out the percentage share of the top ten states in terms of foreign tourist visitors in 2013:

| State | Percentage Share |
|---------------|------------------|
| Maharashtra | 20.8 |
| Tamil Nadu | 20.0 |
| Delhi | 11.5 |
| Uttar Pradesh | 10.3 |
| Rajasthan | 7.2 |
| West Bengal | 6.2 |
| Kerala | 4.3 |
| Bihar | 3.8 |
| Karnataka | 3.2 |
| Goa | 2.5 |

| State | Percentage Share |
|--------|------------------|
| Others | 10.1 |

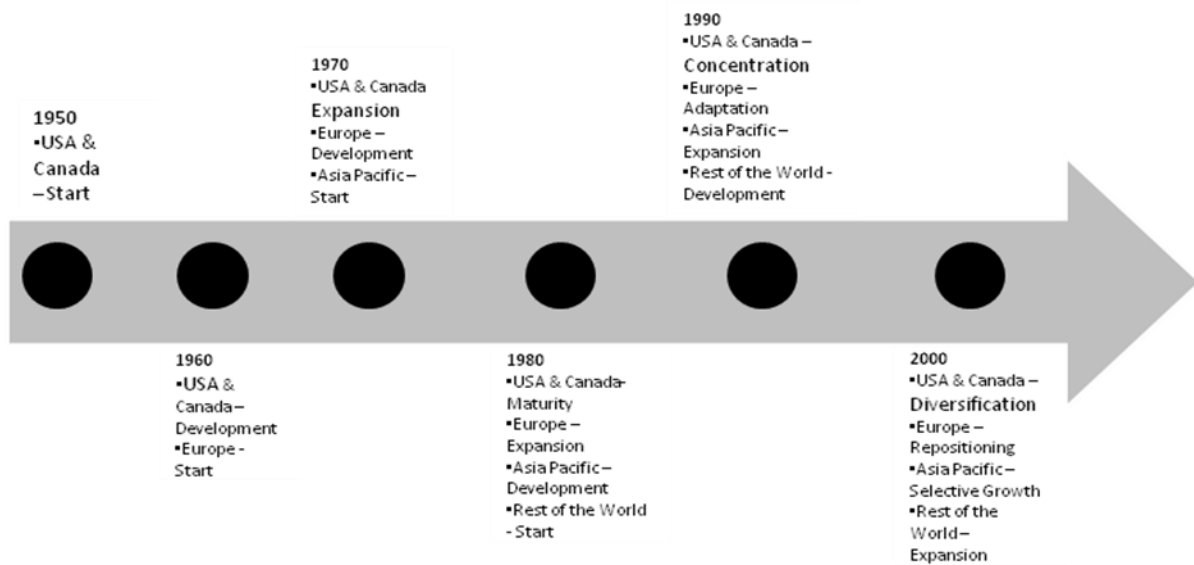
(Source: India Tourism Statistics at a Glance 2013, available at <http://tourism.gov.in/writereaddata/CMSPagePicture/file/marketresearch/Incredible%20India%20final%2021-7-2014%20english.pdf>)

Overview of the Global Parks Industry

For the purposes of this section, “Parks” refer to amusement parks, including theme parks and water parks.

Development of the Global Parks Industry

The Parks industry formally started in Canada and the United States in the 1950’s. The timeline below illustrates the evolution of the global Parks industry:



(Source: IMACS Report)

Different Formats of Parks

As the Parks industry developed and adapted, different formats came into existence. The Parks formats are broadly classified as amusement parks, theme parks and water parks. The Parks industry attracts all age groups and provides attractions ranging from thrill rides to children’s rides, to food and a variety of other entertainment.

Amusement parks are defined by the International Association of Amusement Parks and Attractions as “a large, high-profile attraction that offers guests a complex of rides, food services and games”. The wide variety and number of rides, entertainment areas and attractions aim to enhance the experience of the customer.

A theme park is defined as a park where the attractions have a unique setting or rides with specific themes. Theme parks are often large format parks, offering state-of-the-art, high-end technology oriented theme based attractions. A typical theme park is equipped with themed family rides including thrill rides, train rides and roller-coasters.

A water park attracts visitors by offering water-based activities. Water parks frequently feature immersion pools, tanning and relaxing areas, retail sales areas and food and beverage services. Most water parks offer water slides as well.

The Size of the Global Parks Industry

There are more than 800 Parks in the world with annual attendance of over 600 million visitors per year. In the United States, there are more than 400 Parks, with annual attendance of approximately 300 million visitors. In Europe, there are approximately 330 Parks, with approximately 165 million visitors a year.

Despite the recent economic downturn, attendance at theme parks has increased. Between 2007 and 2010, attendance rates at the 25 largest theme parks worldwide remained stable, increasing from 187.6 million in 2007 to 189.1 million in 2010. Attendance at the 25 largest theme parks worldwide increased by 1.9% in 2010, 3.8% in 2011, 5.2% in 2012 and 4.3% in 2013 to reach 214.7 million visitors. Attendance at the top theme parks in Asia has also shown increases in the recent periods.

Since 2007, attendance at water parks has increased, despite the global economic crisis. Attendance at the largest 20 water parks in the world increased from 19.4 million in 2007 to 26.9 million in 2013 at a growth rate of 5.6% year on year.

The table below illustrates the attendance rates at the largest Parks on a region wise basis between 2007 and 2013:

| Region | No. of Parks | Attendance (in million) | | | | |
|---------------|--------------|-------------------------|-------|------------------|---------------------------------|------------------------------------|
| | | 2007 | 2013 | CAGR (2007-2013) | Growth rate (in 2013 over 2012) | Average attendance per park (2013) |
| | | | | (%) | (%) | |
| Theme parks | | | | | | |
| Worldwide | Top 25 | 187.6 | 214.7 | 2.3 | 4.3 | 8.6 |
| North America | Top 20 | 122.8 | 135.1 | 1.6 | 2.7 | 6.8 |
| Europe | Top 20 | 60.9 | 57.8 | -0.9 | -0.2 | 2.9 |
| Asia | Top 20 | N/A* | 116.8 | 4.4** | 7.5 | 5.8 |
| Latin America | Top 10 | 11.3 | 13.7 | 3.3 | 3.8 | 1.4 |
| Water parks | | | | | | |
| Worldwide | Top 20 | 19.4 | 26.9 | 5.6 | 7.2 | 1.3 |
| North America | Top 20 | 12.2 | 15.0 | 3.5 | -2.6 | 0.8 |
| Asia | Top 15 | N/A | 17.0 | N/A | 6.3 | 1.1 |

* Attendance of 65.8 million at Top 10 parks in Asia in 2007 vis-a-vis 85 million in 2013

** For Top 10 Parks in Asia

(Source: IMaCs Report)

The table below illustrates the attendance trends at the top ten theme parks by region:

| Region | No. of Parks | Attendance (in million) | | |
|---------------|--------------|-------------------------|------|----------------------------|
| | | 2009 | 2013 | CAGR (2009-2013) (%) |
| Theme Parks | | | | |
| Worldwide | Top 10 | 116 | 127 | 2.3 |
| North America | Top 10 | 90 | 101 | 3.1 |
| Asia | Top 10 | 66 | 85 | 6.8 |
| Europe | Top 10 | 41 | 42 | 0.4 |

In 2012, the global Parks industry, in terms of revenue, was estimated at US\$28 billion. In 2015, this is expected to reach US\$29.5 billion and by 2017 it is expected to reach US\$32 billion. The Parks industry in regions such as North America and Europe is highly saturated and matured. The United States and Europe have dominated the industry since its inception. However, Asia now has nine of the top 25 amusement and theme parks in East Asia. The importance of Asia is expected to increase with opening of Shanghai Disney in 2015. Asia also has half of the top 20 water parks. In Asia, Japan and South Korea are showing signs of maturity and saturation whereas markets in India, Thailand, Singapore, Malaysia and Indonesia are still experiencing fast growth.

Growth Trends of Global Parks

Between 2007 and 2010, the Parks industry remained stagnant and exhibited marginal growth due to the global economic conditions. Since 2010, the Parks industry has started to grow. The industry in Asia is growing quickly with several new Parks being developed. The information below discusses the industry growth trends from 2007 to 2013:

Footfall. Global footfall increased by 4.3% to 214.7 million in 2013 from 205.9 million in 2012. Large format parks have visitors in excess of eight to nine million per year. The table below illustrates attendance at select global theme parks for the periods indicated:

| Region | Attendance (in million) | |
|-----------------------------|-------------------------|------|
| | 2009 | 2013 |
| Theme Parks | | |
| Magic Kingdom | 17.2 | 18.6 |
| Disney Land | 15.9 | 16.2 |
| Tokyo Disney Land | 13.6 | 17.2 |
| Tokyo Disney Sea | 12 | 14.1 |
| Epcot | 11 | 11.2 |
| Disney's Hollywood Studios | 9.7 | 10.1 |
| Disney's Animal Kingdom | 9.6 | 10.2 |
| Universal Studios Japan | 8 | 10.1 |
| Disney California Adventure | 6.1 | 8.5 |

Five of the Parks among the top 25 Parks globally had an increase of over 10% attendance from the previous year. The overall increase in footfall is attributed to a recovery in the global economy, increased investment in rides and entertainment and the relevant location of the Parks. In 2013, major Parks in North America, Europe and Asia companies had a successful year. Attendance remained strong in Asia and North America, with attendance in Asia Pacific at 7.5% and North America at 2.7% growth. Attendance rates in Europe remained stable in 2013.

Parks that have invested in infrastructure, new rides or new entertainment concepts have experienced an increase in footfall. Parks in the United States invested in newer rides and attractions to increase footfall. Parks in Europe invested in rides and created new entertainment concepts which generated revenue in the off seasons as well. Parks in Asia aimed to increase their operating space and presence globally. The following table sets out the attendance figures in the ten largest theme parks in the world for the periods indicated:

| Park Name | Location | No. of visitors (in million) | | | | | | | |
|-------------------------------------|---------------|------------------------------|------|------|------|------|------|------|----------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | CAGR (%) |
| Magic Kingdom | United States | 17.1 | 17.1 | 17.2 | 17.0 | 17.1 | 17.5 | 18.6 | 1.4 |
| Tokyo Disneyland | Japan | 13.9 | 14.3 | 13.6 | 14.5 | 13.7 | 14.8 | 17.2 | 3.6 |
| Disneyland | United States | 14.9 | 14.7 | 15.9 | 16.0 | 16.1 | 16.0 | 16.2 | 1.4 |
| Tokyo Disney Sea | Japan | 12.4 | 12.5 | 12.0 | 12.6 | 11.7 | 12.7 | 14.1 | 2.2 |
| Epcot | United States | 10.9 | 10.9 | 11.0 | 10.8 | 10.8 | 11.1 | 11.2 | 0.5 |
| Disneyland Park at Disneyland Paris | France | 12.0 | 12.7 | 12.7 | 10.5 | 11.0 | 11.2 | 10.4 | (2.4) |
| Disney's Animal Kingdom | United States | 9.5 | 9.5 | 9.6 | 9.7 | 9.8 | 10.0 | 10.2 | 1.2 |
| Disney's Hollywood Studios | United States | 9.5 | 9.6 | 9.7 | 9.6 | 9.7 | 9.9 | 10.1 | 1.0 |
| Universal Studios Japan | Japan | 8.7 | 8.3 | 8.0 | 8.2 | 8.5 | 9.7 | 10.1 | 2.5 |
| Disney's California Adventure | United States | 5.7 | 5.6 | 6.1 | 6.3 | 6.3 | 7.8 | 8.5 | 6.9 |

(Source: IMAcS Report)

Ticket Prices. In 2014, ticket prices remained constant or increased marginally at Parks in the United States and Europe. In Asia, ticket prices experienced a higher increase. An increase in ticket prices in Asia can be attributed to large local populations, large number of tourists and an increase in international standard rides and attractions offered in these Parks. The table below illustrates ticket prices for certain Indian and Asian Parks:

| Name of Park | Established Prices * (Rs.) |
|-----------------------------|-------------------------------|
| INDIAN PARKS | |
| Nicco Park | |
| Essel World | 790 |
| Wonderla | 870 |
| Adlabs Imagica# | 1,900 |
| Water Kingdom | 890 |
| Aquamagica# | 1,150 |
| GLOBAL PARKS** | |
| Universal Studios Singapore | 4,670 |
| Atlantis Dubai | 4,200 |

* Indicates peak ticket prices for adults

** Conversion rate used – SGD to INR – 47.65, AED to INR – 16.80

Non-peak ticket prices are ₹1,500 for Adlabs Imagica and ₹950 for Aquamagica.

Integrated Resorts. The concept of integrated resorts which include Parks, retail, hospitality, casinos and cultural facilities are becoming increasingly popular in Asia. This is in line with and a further development of what Parks in Europe and the United States have been offering. The new additions are based on a cross subsidisation model with large cash flows from casinos supporting cultural facilities, which have a lower cash flow.

Global Economy. The entertainment industry was affected by the economic downturn of 2008 which continued until 2010 in the United States and is still visible in Europe. Asia has shown the fastest growth in footfall for Parks. Several leading international and domestic operators have shown strong growth in 2013. The Asian markets, led by China and India, with growing economies and an expanding middle class are expected to be the high growth markets for the Parks industry in the medium to long-term.

The Americas Markets

In 2008 and 2009, the United States experienced difficulties with the recession, which affected the attendance numbers for Parks. In 2010, the Parks industry started to recover. Currently, 11 of the top 25 amusement and theme parks in the world are situated in the United States. Approximately 135.1 million visitors were recorded at the top 20 Parks in the United States in 2013 in comparison to 131.6 million in 2011. Economic recovery, the introduction of new rides and competitive pricing resulted in this increase. In 2013, annual footfall at water parks decreased by 2.3% to 15.0 million visitors from 15.4 million visitors in 2012.

The Asia Market

Footfall at the top 20 theme parks in Asia Pacific has increased by approximately 7.5%. Overall, the top 20 Parks in Asia recorded a footfall of 116.8 million in comparison to 135.1 million in the United States. Attendance at water parks in Asia surpassed that in North America. In 2013, 17.0 million visitors visited water parks in Asia. In 2013, 15.0 million visitors visited water parks in the United States. The table below illustrates attendance rates for certain Asian Parks:

| Name of the Park | Attendance 2009 | Attendance 2013 | CAGR (%) |
|----------------------|--------------------|--------------------|-------------|
| OCT Parks China | 15.8 | 26.3 | 13.6 |
| Ocean Park | 4.8 | 7.5 | 11.8 |
| Disneyland Hong Kong | 4.6 | 7.4 | 12.6 |

Peripheral Infrastructure

Parks invest in peripheral infrastructure such as hotels, F&B establishments and retail areas including merchandise stalls to diversify the revenue composition. Longer stays and enhanced customer experience contribute towards increasing avenues for the generation of park revenues. Hotels are the main peripheral developments around Parks. They help to convert one day outings into longer holiday experiences.

The following table sets out the details of the hotel infrastructure at some of the large Parks worldwide:

| Name of the Park | Hotels owned | Rooms* | Occupancy (%) | Associated hotels |
|---------------------------------|--------------|--------|---------------|-------------------|
| Disneyland and Disneysea, Tokyo | 3 | 705+ | 90.0 | 6 |
| Universal Studios, Orlando | 3 | 2,150 | - | 11 |
| Disneyland, Paris | 5 | 5,800 | 87.0 | 7 |
| Universal Studios, Japan | 6 | 2,500 | 85.0 | 6 |
| Everland, Korea | 2 | - | - | - |
| Europa Park, Germany | 4 | 724 | - | - |

* Figures do not include rooms from associate hotels.

(Source: IMA CS Report)

Almost all Parks globally have F&B offerings consisting of limited menu outlets, food carts and vending machines. Retail and merchandise offerings are present in over 95.0% of Parks consisting of gift shops and movable carts accounting for nearly half of retail operations.

Indian Parks Industry

For the purposes of this section, “Parks” refer to amusement parks, including theme parks and water parks.

Overview of the Indian Parks Industry

The Indian Parks industry is in its nascent stage and is developing at a rapid pace. As of January 2015, there are approximately 150 Parks in India. With a population of over 1.21 billion people, the ratio of Parks to people is very small in India. In contrast, the United States with a population of approximately 313 million has over 400 Parks. Only 10.0% to 15.0% of the Parks in India are classified as large parks.

India has a growing middle class with access to increased disposable incomes and greater propensity to spend on leisure activities. Approximately more than 40.0% of the Indian population is under the age of 25. This age group forms a large potential customer- base for Parks.

The size of the Indian Parks industry is estimated at ₹ 25 billion to ₹ 30 billion, in terms of revenue, with an estimated annual footfall of over 50 million, and the industry has grown between 20.0% and 25.0% over the last five years. The Parks industry in India is expected to grow to a total size of approximately ₹ 50 billion to ₹ 60 billion over the next five years, in terms of revenue.

Key Amusement Park Operators in India

The Indian Parks industry comprises more than 150 operational small, medium and large Parks, with only 10.0% to 15.0% classified as large Parks. The scale of Parks in India is set out in the table below:

| Type | No. of parks | Annual visitors |
|--------------|--------------|----------------------------|
| Large parks | ~ 15 | More than 0.5 million |
| Medium parks | ~ 50 | Between 0.3 to 0.5 million |
| Small parks | ~ 100 | Less than 0.3 million |

The table below sets out the details of major Parks in India:

| Name of Park | Location | Annual Attendance (in million) | Area (in acres) | No. of rides |
|-------------------------------|---------------|--------------------------------|---------------------------------|-----------------------|
| <i>Adlabs Imagica</i> | <i>Mumbai</i> | <i>1.0¹</i> | <i>132²</i> | <i>40³</i> |
| Essel World and Water Kingdom | Mumbai | 1.8 ⁴ | 90 (approximate) | 75 |
| World of Wonders | Noida | N.A. | 147 | 30 |
| Nicco Park | Kolkata | 1.5 | 40 (approximate) | 33 |
| Ramoji Film City | Hyderabad | 1.5 | 2,000(approximate) ⁵ | - |
| Wonderla | Bangalore | 0.9 | 82 | 50+ |
| Veega Land | Cochin | 1.0 | ~30 | 55 |
| MGM Dizzee World | Chennai | 1.0 | 45 | 60 |

| Name of Park | Location | Annual Attendance (in million) | Area (in acres) | No. of rides |
|--------------------------------|------------|-----------------------------------|-----------------|--------------|
| Kishkintha | Chennai | 0.7 | 120 | 25 |
| VGP Universal Kingdom | Chennai | N.A. | - | 11 |
| Ocean Park | Hyderabad | N.A. | 20 | 33 |
| Snow World | Hyderabad | N.A. | <0.5 | N.A. |
| Kingdom of Dreams ⁶ | Gurgaon | 0.4 | 6 | N.A. |
| Black Thunder | Coimbatore | 0.5 | 65 | 23 |
| Adventure Island | Delhi | 0.7 | 24 | 26 |
| Fun N Food Village | Delhi | 0.5 | - | - |
| GRS Fantasy Park | Mysore | N.A. | - | 10 |
| Queensland | Chennai | N.A. | 70 | 51 |
| Jurassic Park | Sonepat | N.A. | - | - |

1. Internal data based on attendance for the 12 months ended December 31, 2014. Includes attendance of 90,947 for the Water Park which commenced commercial operation on October 1, 2014.
2. Includes area for retail, dining and entertainment space, the proposed water park and the hotel.
3. Includes the attractions in the proposed water park.
4. About 0.8 million in the water park and 1 million in the amusement park.
5. World's largest film studio complex and a popular destination for tourists seeking recreation and theme park experience.
6. Live entertainment and leisure destination.

Global footfalls at Parks range between three million and 18 million per annum. Attendance rates in India are below two million. This illustrates the growth potential for the Indian amusement park industry as shown in the table below:

| Name of Park | Annual Attendance (in million) |
|-------------------------------|-----------------------------------|
| Indian Parks | |
| Nicco Park | 1.5 |
| Essel World and Water Kingdom | 1.8 |
| Wonderla | 1.9* |
| Global Parks | |
| Universal Studios Singapore | 3.7 |
| Ocean Park | 7.5 |
| Disney's Hollywood Studios | 10.1 |
| Disney's Animal Kingdom | 10.2 |
| Epcot | 11.2 |
| Tokyo Disney Sea | 14.1 |
| Disney Land | 16.2 |
| Tokyo Disney Land | 17.2 |
| Magic Kingdom | 18.6 |

* 0.9 million at Bangalore and 1 million at Cochin

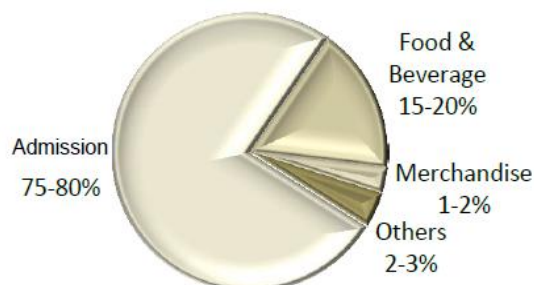
Certain Key Features of the Indian Amusement Park Industry

Ticket Prices. Ticket prices in India are starting to increase to align with international pricing patterns. Most Parks in India offer a single pay ticket with some parks offering pay-as-you-go tickets as well. Ticket prices at leading Parks range between ₹ 600 and ₹ 1,000 per adult. Most Parks offer 15.0% to 20.0% discounts for children. Some Parks also offer discounts ranging from 10.0% to 15.0% to senior citizens.

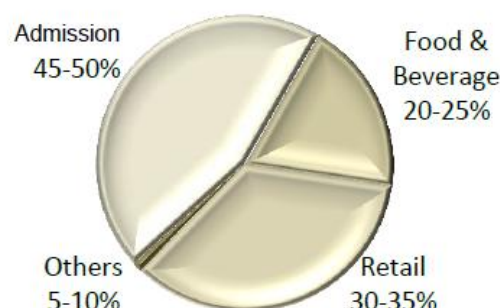
Revenue Mix. International Parks typically generate around 50.0% of revenue from admission tickets. Indian Parks generate up to 75.0% to 80.0% of revenue from admission tickets. The share of revenue from F&B and retail and merchandise sales in India is small. Indian guests tend not to spend much when inside the park and

therefore, the admissions ticket represents the maximum share of spend. However, due to an increase in disposable income, improving lifestyle and an increase in nuclear families, the in-park spending is expected to increase in the short to medium term. The chart below illustrates the typical revenue break up of Parks in India with a comparison with international Parks:

INDIAN PARKS



INTERNATIONAL PARKS



(Source: IMaCS Report)

Peripheral Infrastructure. Parks in India are still in the early stages of development. Most of the revenue for Indian Parks is attributable to admission tickets. Parks in Europe and the United States generate significant revenue from hotels, as trips to Parks tend to be considered as weekend getaways or holiday destinations. In India, the concept of a Park vacation is still not popular. The development of hotels around Parks in India may promote the concept of Park vacations.

Growth Drivers

The major growth drivers for the Parks industry in India include the following:

Urbanisation

As a result of rapid urbanisation, more people in India are looking for entertainment and leisure options. Currently, many Indian cities have limited entertainment options, especially outdoor options, to offer to consumers. Parks could cater to this growing consumer segment.

Gross Domestic Product and Income Growth

More families are prepared to spend money on leisure activities. As the Indian economy grows and industry models in the United States and Europe are replicated, Parks will be able to market themselves as weekend getaways.

Increase in the Number of Nuclear Families

The number of nuclear households in India increased from 61.0% in 2006 to 66.0% in 2010. As a result, households are spending more on a per capita basis, which may also lead to an increase in discretionary spending. Typically, per capita spending of nuclear families is between 20% and 50% higher than traditional joint families in similar household income groups. Spending is predominantly on clothing, housing, education and leisure activities.

Increase in Tourism

The increase in domestic tourism in India is a strong growth driver. Domestic vacations are becoming more appealing to the Indian population because of the increased exchange rate fluctuations associated with overseas travel and an increasing middle class population. There has been a continuous increase in domestic tourism in India, with the number of domestic tourist visitors increasing from 159.88 million visitors in 1997 to 1,145.28 million in 2013. (Source: *India Tourism Statistics at a Glance 2013*, available at <http://tourism.gov.in/writereaddata/CMSPagePicture/file/marketresearch/Incredible%20India%20final%2021-7-2014%20english.pdf>)

Investment Trends

Over the last five years, the Indian leisure industry is estimated to have increased between 20.0% and 25.0% in terms of overall revenue. Malls are the primary entertainment destinations in Indian cities. The top five malls by footfall recorded over 117 million visitors. Parks in India are well positioned to attract demand from this customer segment.

Government Policy and Regulatory Developments

Various state governments are focusing their attention on attracting tourism to increase state revenues. As a result of this focus, various incentive schemes have been developed by many state governments.

The Government of Maharashtra has developed a policy to increase tourism. The policy offers benefits such as:

- electricity duty levied at industrial rates for the respective period;
- total exemption from property tax and non-agricultural tax for all tourism projects run or owned by the Maharashtra Tourism Development Corporation;
- industrial rates for water rates/tariffs; and
- Property tax charged at residential rates.

In 2010, the Government of Andhra Pradesh announced the Andhra Pradesh Tourism Policy 2010, which aims to increase the involvement of the private sector in the development of tourist destinations in the state. The tourism projects covered by this policy include amusement parks, resorts and convention centres. This policy offers benefits such as subsidies on capital investment, reimbursement of stamp duty and transfer fee in respect of land transactions, reimbursement of value added and luxury taxes and energy incentives in the form of reimbursement of a portion of energy costs.

Also, see the section “Regulations and Policies” on page 133.

Barriers to Entry

Land Acquisition and Red Tape

One of the biggest challenges for new projects is land acquisition. Single window clearances are not easily available, thereby making the entry process cumbersome. Individual states have laid down directives in their tourism policy to provide support to projects, which will help in encouraging tourism.

Capital Intensive Business

Parks require regular investment in infrastructure and rides and attractions. Addition of rides and attractions is necessary for a Park to be able to sustain a growing footfall.

OUR BUSINESS

Overview

We own and operate, Imagica – The Theme Park, which is one of the leading theme parks in India. Our theme park features a diverse variety of rides and attractions of international standards, food and beverages (“F&B”) outlets and retail and merchandise shops, designed to appeal to a broad demography of the Indian populace, delivering memorable experiences, with a strong value proposition. Imagica – The Theme Park, is a part of Adlabs Mumbai, a ‘one-stop’ entertainment destination that we offer at this location. Adlabs Mumbai also includes Aquamagica, a water park, which became fully operational on October 1, 2014, and a family hotel, Novotel Imagica Khopoli, the first phase of which is expected to be completed by March 2015. Adlabs Mumbai, spread over an aggregate area of approximately 132 acres, is located at Khalapur, which is 74 kilometres from Mumbai, off the Mumbai – Pune Expressway.

Imagica – The Theme Park is a one-of-a-kind offering in India and currently has 25 rides and attractions, which are spread over six theme-based zones. Our marquee offerings include Rajasaurus River Adventure, a boat ride offering our guests a peek into the pre-historic habitats of dinosaurs, Wrath of the Gods, a VFX show based on an archaeological discovery of an ancient Indian civilisation, Nitro, which we believe is India’s largest roller coaster, I for India, a simulated helicopter ride over various sights and attractions across India and Mr. India – the Ride, a simulated ride based on the popular Bollywood movie, Mr. India. We also offer entertainment through live performances by acrobats, magicians, dancers, musicians and other artists throughout the day in various parts of our theme park.

In Imagica – The Theme Park, we own and operate an array of F&B outlets, including Roberto’s Food Coaster, a multi-cuisine food court, which also has a separate Jain restaurant, Red Bonnet, an American diner-styled restaurant, Imagica Capital, an Indian buffet restaurant which serves cuisines from across the country, Zeze, a bar and grill which is designed as an African Zulu village and Arrmada, a cafe and bar modelled as a ship, which offers panoramic views of the entire theme park, as well as several kiosks spread across the theme park. Our retail and merchandise offerings provide our guests an opportunity to memorialise their experiences at the theme park by purchasing products such as toys, apparel, bags, caps and commemorative mementos and photographs, which carry the ‘Imagica’ brand or are based on one of the rides or attractions in our theme park. We also retail candies, chocolates and other utilities such as hats and sunglasses. While we largely retail through our six stores and several kiosks inside our theme park, we have recently launched our products on ours as well as third party websites and intend to expand the sales and distribution network of our retail and merchandise operations.

Imagica – The Theme Park, became fully operational on November 1, 2013. For a period of approximately six months prior to November 1, 2013, some of the rides and attractions in our theme park were open to the public. The total number of guests hosted at our theme park for the twelve months ended December 31, 2014 was 912,061. We hosted 11,933 guests on December 20, 2013, the highest number of guests hosted by us in a day since our theme park became fully operational.

Aquamagica, our water park located adjacent to our theme park, became fully operational on October 1, 2014. For a period of six days prior to October 1, 2014, some of the rides and attractions in our water park were open to the public. It offers 14 kinds of water slides and wave pools, including: Zip Zap Zoom, a high-speed mat racer that moves through enclosed looping aqua tubes, Loopy Woopy, a ride that comprises a launch capsule which is controlled by a trap door, leading to a steep vertical drop of 72 feet, Screamer, which offers a series of twists, turns and oscillations through “rattles” which change shape in alignment with the different lengths of cylinders, and Twisty Turvy, a water coaster with drops and curves. It also offers water-based entertainment such as a beach front, waterfalls, cabanas and comprises separate family play areas, kids play zones and toddlers play equipment. Our water park has a separate admission ticket and a separate entrance from our theme park.

Our objective is to take advantage of cross selling opportunities offered by these two different entertainment experiences. We intend to position Aquamagica as a destination for young party-goers and host Bollywood and electronic dance music events where popular Indian and international artists and DJs perform at our ‘#gowiththeflow’ weekend events. For the period commencing on September 25, 2014, when some of the rides and attractions were open to the public, up to December 31, 2014, the total number of guests hosted at our water park was 90,940.

In Aquamagica, our F&B offerings are primarily designed as ‘grab and go’ options, which we believe caters to the preferences of customers enjoying water-based entertainment in the park. In addition to a Ammos, a street-

styled, dine-in, multi-cuisine food court, our other outlets include Sun Beatz – Pizzeria, Labanese & Bar, located next to the wave pool, Red Bonet Express, a classic quick-service American Diner, Cones, which offers a variety of ice-creams and sundaes, Sandy Sipss, which offers juices, shakes and smoothies and Salty's – Snacks & Rolls, which offers a range of rolls which can be picked up on-the-go. We also have a variety of self-serving kiosks with a diverse range of express meals, including burgers, pizzas, Greek and Lebanese wraps and rolls, hot dogs and Mumbai street food. Our retail and merchandise operations inside our water park are primarily structured to offer a variety of swimwear and beachwear options to our guests, including an Aquamagica-branded line of swimwear across various price points and a range of women's clothing. We also offer utility products and toys that our guests are likely to use in a water park.

The first phase of our proposed 287 key hotel, to be called Novotel Imagica Khopoli, comprising 116 keys, is expected to be completed by March 2015 and will include facilities such as banquet halls, conference rooms, specialty restaurants, a gourmet bar, recreation areas, a swimming pool, a spa, a kids' activity centre and a fitness centre to cater to varying entertainment requirements of our guests. We have entered into a hotel management agreement with AAPC India Hotel Management Private Limited ("AAPC"), a company belonging to the Accor Group, which operates several global hotel chains, to manage and operate our hotel, under the name Novotel Imagica Khopoli. We have also entered into a hotel consultancy service agreement with AAPC for certain consultancy and designing services.

We have also entered into a memorandum of understanding with ACME Entertainment, which will conceptualize, construct, install, erect and run on a build, own, operate and transfer basis, a snow park at Adlabs Mumbai and share a portion of ticket sales for the snow park with us. With addition of the water park, the soon-to-be-launched hotel and the snow park, we believe we will be able to enhance guest experience at Adlabs Mumbai and position Adlabs Mumbai as a wholesome entertainment destination.

Our promoter, Mr. Manmohan Shetty, has more than three decades of experience in the Indian media and entertainment industry. Mr. Shetty is the former promoter of Adlabs Films Limited, one of India's largest entertainment companies.

For the financial year ended March 31, 2014, our total income and our loss after tax was ₹ 1,069.18 million and ₹ 524.82 million, respectively. Our revenue from the sale of admission tickets, which was for a period of five months from November 1, 2013 (when our theme park became fully operational) to March 31, 2014, from our F&B operations and from our retail and merchandise operations was ₹ 712.88 million, ₹ 240.21 million and ₹ 63.82 million, respectively. For the six months ended September 30, 2014, our total income and our loss after tax was ₹ 733.25 million and ₹ 535.29 million, respectively. Our revenue from the sale of admission tickets, from our F&B operations and from our retail and merchandise operations for the six months ended September 30, 2014 was ₹ 553.82 million, ₹ 119.80 million and ₹ 38.86 million, respectively.

Our Competitive Strengths

Our primary competitive strengths are set out below:

Uniquely Positioned to Capitalise on the Increasing Propensity of Indians to Spend on Entertainment

Favourable macroeconomic and demographic factors such as economic growth, rising disposable income, a growing young population, an expanding middle class and rapid urbanisation have resulted in the Indian population spending more on entertainment. With the rise in education levels and exposure to international trends, Indian consumers are willing to pay a premium for quality entertainment. We believe that a well-executed parks project will cater to the growing interest in quality entertainment.

Adlabs Mumbai has been designed to provide a wholesome, day-long and 'value for money' entertainment option for guests. We offer entertainment options for all age groups through a variety of rides and attractions, which we believe are comparable to and provide the international standards of experience that leading theme parks and water parks offer globally. Our offerings are also customised to Indian tastes. This positions Adlabs Mumbai to capitalise on the increasing number of Indian customers spending on good-quality entertainment. Further, our ability to provide quality entertainment at one destination will be enhanced with the launch of our hotel and the snow park, enabling us to attract more guests.

Strategically Located in an Attractive Catchment Area

Adlabs Mumbai is located off the Mumbai – Pune Expressway. Currently, we attract guests primarily from

Mumbai, Pune and the rest of Maharashtra and Gujarat, which are some of the more economically developed areas in India. For example, the per capita income of Mumbai and Pune was ₹ 152,000 and ₹ 141,000, respectively, which are significantly higher than the national average. (Source: *Indian Amusement Parks Industry Report, dated January 2015, by ICRA Management Consulting Services Limited and The World Bank, available at: <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD>*) Mumbai is the most populous city in India and one of the most populous cities in the world. Along with the neighbouring urban areas such as Navi Mumbai and Thane, it is one of the most populous urban regions in the world. Mumbai and Pune also have a large student and youth population and benefit from a large number of domestic and international tourists. In addition, with a large base of corporates in this region, we have the ability to market Adlabs Mumbai as a venue for meetings, off-sites and other corporate events.

We also have the ability to attract pan-India guests due to the proximity and the connectivity of Adlabs Mumbai to Mumbai and Pune through the Mumbai – Pune Expressway. Adlabs Mumbai is 46 kilometres from Panvel, Navi Mumbai and is one to two hours drive from most suburbs of Mumbai and from Pune, making it easily accessible for guests from Mumbai, Pune and the rest of Maharashtra and for other tourists accessing our parks through one of these cities. Mumbai is well connected to other large cities in India by air, road and rail with multiple flight options in a day. In addition, Lonavala, which is 25 kilometres away from Adlabs Mumbai, is a very popular weekend destination for the customer base in this region and we believe that we will be able to attract many of such travellers to Adlabs Mumbai.

Further, Adlabs Mumbai is located in an area that experiences suitable weather throughout the year to spend a day outdoors. In addition, the majority of our rides, attractions and queuing and waiting areas in our parks are covered to avoid any inconvenience during the monsoon season.

Rides and Attractions of International Quality Standards which are Customised to Indian Tastes and Preferences

Our parks are attractively themed and deliver high-quality entertainment, aesthetic appeal, shopping and dining options. Our theme park rides and attractions, such as our popular attractions, Wrath of the Gods, I for India and Mr. India – the Ride, have been designed in accordance with international quality standards and customised to appeal to the tastes and preferences of Indian customers. Our water-park rides and attractions are designed to cater to the requirements of thrill-seekers based on a ‘#gowiththeflow’ theme. We believe that we have a large number of rides and attractions of various genres to keep our guests from different age groups and with varying tastes and preferences engaged for an entire day. Our offerings include, high-speed roller coasters, VFX shows for an enhanced visual experience, indoor attractions such as a 360 degrees cinema, a number of rides for children, a thrill based vertical-drop for young adults and mythology based immersive experiences consisting of live theatre, special effects and multimedia presentations for the entire family. Our water-park offerings include a 72-feet plunge in water, several kinds of slides and a wave pool.

We engaged Peter Smulders of Attractions International, an internationally acclaimed design consultant for entertainment destinations, to conceptualise and design our theme park. The rides and attractions for our theme park have been designed by and sourced from global industry leaders such as Bolliger & Mabillard Inc., Zamperla Asia Pacific Inc., Sally Industries Inc., E2M Technologies B.V. and Santec Fabricators (India) Private Limited, which is a part of the Sanderson Group. The water slides and equipment in our water park have been sourced from global industry leaders such as Whitewater West Industries Limited, Neptune Benson (Defender Water Filtration Systems) and Polin Dis Tic. Ltd. Sti. Our consultants and vendors have worked with many of the leading theme and water parks across the world, thus allowing us to leverage their expertise in customising or creating the rides and attractions of international quality standards for Indian requirements. Our theme park rides and attractions which are based on Indian mythology, Bollywood and other popular themes, allow us to develop an emotional connect with our guests. We also follow high levels of park security and safety standards to offer a safe and injury free environment for our guests to enjoy the parks.

Competitive Advantage through Entry Barriers

We believe that we have the ability to leverage the ‘first-mover advantage’ through Adlabs Mumbai. There are significant barriers to entry into the business of theme and water parks in India and it is difficult to replicate a project of similar scale and size in our catchment area. Among the most important of these barriers is the need for significant capital expenditure to set up theme and water parks, the difficulty to identify and purchase large and suitable parcels of land on commercially viable terms and the long lead-time from the conceptualisation to the launch of rides and attractions. We believe that our location off the Mumbai – Pune Expressway, the large parcel of land owned by us, our rides and attractions of international quality and standards and our qualified

management and operations team provide us with a significant competitive advantage over any new park in this region. In addition, we believe that through the various rides and attractions we have developed at Imagica – The Theme Park, we have created our own intellectual property and know-how, such as our popular attractions, Mr. India – The Ride, I for India and Wrath of the Gods that further enhances the barriers of entry for our competitors.

Well-positioned Brand and Marketing Focus

In our short operational history, we believe that we have been able to establish brand recognition in Mumbai, Pune and the rest of Maharashtra and Gujarat markets. We believe that we have been able to achieve this through a combination of factors:

- Delivering superior visitor experiences in our parks through our diverse offerings of rides and attractions and other entertainment options and thus, developing a brand recall through word of mouth publicity. We have also actively focused on attracting school groups as we believe that school children who visit our parks act as our brand ambassadors and have the potential of bringing the entire family back on another visit;
- Dynamic and attractive pricing strategy to coincide with various events, festivals, seasons and holidays throughout the year;
- Existing well-established position of the ‘Adlabs’ brand in the media and entertainment industry; and
- Engaging with various target groups through focused marketing, consisting of regular electronic, print and digital media campaigns and direct sales efforts.

Proven and Experienced Management Team and Execution Strength

Our senior management team, led by Manmohan Shetty, includes experienced media and entertainment, marketing and consumer businesses executives, with an average tenure of more than 15 years in such industries. Mr. Manmohan Shetty is a well known entrepreneur in the media and entertainment business in India and has more than three decades of experience in consumer-facing entertainment businesses. He has also served on key industry bodies in India, including as the Chairman of the National Film Development Corporation, set up by the Government of India to promote cinema and he has also been the President of the Film and Television Producers Guild of India. During Mr. Shetty’s association, Adlabs Films Limited launched many innovations in the Indian film exhibition business, such as multiplexes, the IMAX theatre and digital cinema business.

Our parks operations team comprises highly skilled and dedicated employees with wide ranging experience in operations, product development, business development and marketing. Our Chief Operating Officer, Vincent Pijnenburg is an experienced theme park executive with more than two decades of experience with small, medium and large sized parks and family entertainment centres across the globe. Through the experience and leadership of our management team we were able to complete the development of our parks in a timely manner and within the estimated project cost. We believe that we will be able to leverage this experience in the ongoing development of our hotel and the development of additional entertainment destinations in other locations.

Our Business Strategies

We aim to establish theme-based entertainment destinations of international standards across India through the following primary business strategies:

Develop Adlabs Mumbai as an Integrated Holiday Destination

Currently, a significant majority of our guests are residents of our catchment area, Mumbai, Pune, rest of Maharashtra and Gujarat who make day-trips to our theme park off the Mumbai – Pune Expressway. With the launch of our water park and our hotel, we intend to market Adlabs Mumbai as a multiple day holiday destination and attract guests for a longer stay. We also intend to exploit the proximity of Adlabs Mumbai to Lonavala and Khandala, which are popular hill stations, to attract tourists. We intend to offer various cost promotion and combination packages of admission tickets to our parks and stay at our hotel to take advantage of cross selling opportunities. In addition, we aim to market our facilities as a suitable venue for hosting wedding receptions, parties, conferences and meetings and other corporate events. We have entered into a memorandum of understanding for the development of an adventure-course tower, adjacent to our hotel as an additional entertainment option for guests making a multi-day trip to our parks. Further, we have also entered into a

memorandum of understanding with ACME Entertainment for the development of a snow park at Adlabs Mumbai.

Continue to Focus on Increasing the Number of Guests Hosted at our Parks

We plan to increase attendance at our parks through the following strategies:

- Increasing awareness of our parks and our ‘Adlabs’, ‘Imagica’ and ‘Aquamagica’ brands through effective media and marketing campaigns, aimed at various target groups including families, young kids, college students and young professionals. We will also continue to reach out to a greater number of schools and corporates for increasing attendance at our parks;
- Offering a variety of ticket options and disciplined pricing and promotional strategies to coincide with events and holidays throughout the year. We also aim to follow a dynamic pricing model which will enable us to adjust admission prices for our parks based on expected demand and attract diverse segments of our customer base;
- By periodically introducing new attractions, differentiating experiences and enhancing service offerings. We believe that word of mouth is our most important marketing tool and, therefore, our primary business objective is to make the time spent by the guests in our parks as enjoyable as possible. We specifically focus on entrance and security procedures, queue management, cleanliness, quick availability of F&B products and retail merchandise to make the guests’ experiences as comfortable and entertaining as possible; and
- Focusing on sales and marketing initiatives in the secondary catchment areas, such as our print campaign from time to time in major cities like Delhi NCR, Bangalore, Hyderabad and Jaipur, to attract tourists visiting the Mumbai – Pune region.

Diversify our Revenue Streams

Sales of admission tickets comprised a significant portion of our total income for the financial year 2014 (income from the sale of admission ticket commenced on November 1, 2013) and the six months period September 30, 2014. We intend to increase our non-ticketing revenue through the following strategies:

- Focus on F&B and retail and merchandise operations by targeting the per capita spending of our guests. We believe that by providing our guests additional and enhanced offerings at various price points, we can increase spending in our parks. We will continue to innovate in our F&B offerings to cater to the diverse preferences of our guests. For example, we recently started a Jain food restaurant and also initiated the sale of alcoholic beverages in our theme park;
- Monetise the crowd movement in our parks by offering sponsorship opportunities to advertisers for special events, naming rights for our rides and attractions, partnering in destination advertising and assisting in products and brand activations;
- With the completion of our hotel, we intend to position Adlabs Mumbai as a destination for varying customer requirements, including for entertainment, corporate meetings and off-sites and other events;
- Promote Adlabs Mumbai as a venue for destination weddings with a variety of themes; and
- Aim to develop an emotional connect with our guests through our brands and characters developed by us, which we believe will provide us with opportunities to leverage our intellectual property portfolio, and to develop new media and entertainment options and to increase the sale of consumer products, in and outside Adlabs Mumbai.

Increase Profitability and Achieve Cost Optimisation

We believe that increased attendance at our parks and an increase in the per capita spending will allow us to make our business more profitable because of the relatively fixed cost-base and the high operative leverage involved in our business. We will continue to focus on F&B and retail and merchandise spending to improve our operating margins. With the commencement of operations of our water park and the soon-to-be-launched hotel, we will be able to offer more dynamic pricing to account for seasonal fluctuations in attendance. We also aim to achieve better cost optimisation through economies of scale by measures such as company-wide and centralised

procurement and sourcing strategy and integrated marketing campaigns. In addition, we aim to benefit from shared services such as security, ticketing, F&B and general administration of our parks.

Expand our Existing Operations and Foray into New Geographies in India

In addition to the ongoing development of our hotel, we aim to pursue other expansion opportunities at our parks. We intend to add three to four rides and attractions over the next five years, including one major ride or attraction every two years, at our parks. We intend to use the existing areas available inside our parks for these new rides and attractions.

We also intend to set up integrated holiday destinations in other locations in India, either through parks owned and operated by us or through a partnership or a franchise model. We have identified Hyderabad as a new location to develop a new theme park and we are currently in the process of preparing a project development plan. We will continue to seek to place our theme parks and water parks near each other, which will allow us to operate with reduced overhead costs and create cross selling opportunities.

Further, we have also entered into a memorandum of understanding, dated July 1, 2013, for the purpose of submitting bids to set up tourism-related projects in Gujarat.

Adlabs Mumbai

We commenced construction of Adlabs Mumbai in 2011 and we expect to complete this project in 2015, with the first phase of our hotel expected to be completed by March 2015 and the balance in phases thereafter in 2015. Adlabs Mumbai comprises Imagica – The Theme Park, Aquamagica, our water park and our soon-to-be-launched, family hotel. We expect the total cost for the development of this project to be ₹ 16,504 million.

Location and Access

Adlabs Mumbai is located off the Mumbai – Pune Expressway, at Khalapur. It is well-connected by road and railway to Mumbai, Pune and Nashik. The following map sets out the exact location of Adlabs Mumbai with connections to the catchment area that it seeks to service:



Adlabs Mumbai is located at a distance of approximately three and a half kilometres from the first exit after the first toll-plaza on the Mumbai – Pune Expressway. The driving distances to Adlabs Mumbai from the key cities and towns in the region are set out below:

| <i>City/Town</i> | <i>Approximate Distance (Km)</i> |
|------------------|----------------------------------|
| Mumbai | 74 |
| Navi Mumbai | 46 |
| Pune | 90 |
| Nashik | 204 |
| Aurangabad | 319 |
| Surat | 337 |
| Lonavala | 25 |

The nearest airport to Adlabs Mumbai is the Mumbai Domestic Airport in Santa Cruz, Mumbai, at a distance of 79 kilometres. The Pune airport is at a distance of 82 kilometres from Adlabs Mumbai. Adlabs Mumbai is one to two hours drive from most suburbs of Mumbai and from Pune, making it easily accessible for guests from Mumbai and Pune.

Transportation Services

We have partnered with bus operators to offer air-conditioned bus shuttle services from designated locations in Mumbai and Pune. We have also partnered with car travel companies to provide home pick-up and drop-off services for our customers in Mumbai, Pune and Lonavala. These bus and car travel and ticket packages can be booked online or through our call centre.

Adlabs Mumbai is located approximately six kilometres from the Khopoli station, which is serviced regularly by the Mumbai suburban train services operated by Central Railways. We provide free shuttle services to and from the Khopoli station at designated intervals.

Park Capacities

Based on park capacity reports provided by theme and water parks industry consultants, Utopia Entertainment, Inc. and Leisure Consultants FZ LLC, we estimate that the hourly capacity of our theme park and water park is 15,000 and 5,450, respectively. These capacities depend on several variables and assumptions, including:

- Ride loading and unloading time and ride duration;
- Size of queuing areas and waiting periods;
- Demand for F&B services and turn-around time by F&B outlets;
- Hours of operations; and
- Pedestrian density in the common areas of the parks during normal and crowded periods.

Many of the factors, assumptions and variables involved in estimating these capacities are based on data that are currently available and could be subject to variations over time.

Our Imagica Theme Park

Operating Hours

Our theme park operates between 11 a.m. to 9 p.m. It is designed as an ‘all-weather park’ and is open to our guests throughout the year. We modify our operating hours depending on seasons and special occasions. 13 out of our 25 rides and attractions and queuing and waiting areas are covered and we can operate all our rides and attractions throughout the year, including during the monsoon season.

Layout

Our theme park is designed to provide a ‘journey around the world’ experience to our guests. There are six theme zones with distinct attractions, area-design, landscaping, dining facilities, facades, interactive installations and ambient music. These six theme zones are situated around a central lagoon and a ‘capital building’ which is designed as a castle and houses one of our restaurants. The concept and design of our theme park was primarily developed by design consultant Peter Smulders, CEO and founder of Attractions International, who has been involved in the development of many theme parks and other entertainment projects throughout the world.

The following map sets out the illustrative layout of our theme park setting out the six theme zones:



The six theme zones in our park are set out below:

India: This area showcases elegant and historical aspects of India along with contemporary Bollywood themes.

Arabia: This area, designed as a journey through colourful, rustic streets of Arabia with souks, consists of attractions based on famous Arabian stories.

Americana: This area aims to provide experiences based on themes ranging from the ‘Wild West’ to a quintessential American city skyline.

Jambo Africa: This area is designed as a large African tribal outpost and showcases exotic plants, tribal masks and thatched African huts.

Asiana: This area is designed as a futuristic world of high-tech installations.

Viva Europa: This area is modelled as a picturesque European town, consisting of piazzas and cobbled streets lined with Victorian lamp posts and focuses on street activities.

Our Rides and Attractions

Our 25 rides and attractions, developed in line with leading theme parks globally, have been designed and adapted to appeal to Indian culture and sensibilities. Our objective is to develop a distinct identity for our theme park through a mix of Indian characters, styles, stories, music and ambience. Some of our popular rides and attractions are described below:

Rajasaurus River Adventure, is designed as a pre-historic boat ride offering our guests a peek into the habitats of dinosaurs and provides an interaction with dinosaur machines, culminating in a water slide.

Wrath of the Gods, is a VFX show based on an archaeological discovery of an ancient Indian civilisation and is designed as an immersive experience consisting of live theatre, wind, water and fire special effects and multimedia presentations.

Nitro, is a floorless roller coaster which we believe is India’s largest roller coaster. This circuit ride consists of 2,800 feet of track length and reaches a maximum height of 132 feet. It goes through five inversions and loops. Unlike some roller coasters, which allow the passengers to have their feet on the ground, this roller coaster is designed to simulate a “flying chair”.

I for India, is a simulated aircraft ride over various sights and attractions across India. A film shot from a helicopter is displayed on a 90 feet wide screen, while the guests experience flying over these landscapes from seats raised 10, 20 and 30 feet over the theatre floor.

Mr India – the Ride, is an immersive film viewing experience, based on the popular Bollywood movie, Mr. India. This show is designed to provide the guests with an experience of driving in Mr. India’s car and participate in one of his adventures. While the animated film plays on the screen, the guests experience a bumpy journey in the car.

Scream Machine, is a giant swing with simultaneous spinning motion, that rises to a maximum height of 148 feet above the ground and swings to a maximum steep angle of 120 degrees.

Salimgarh, is designed as a ride through a haunted fortress, where the guests’ train moves through dungeons and torture rooms in search of a trapped princess.

Gold Rush Express, is designed as a roller-coaster ride through the old American West landscape and moves through ravines and ranches and parlours and saloons with cowboys and pistol-wielding outlaws. This circuit ride reaches a maximum height of 66 feet.

Deep Space, is a roller-coaster designed as a ride into outer space. It operates inside a dome, which is designed to provide the guests with an experience of riding across galaxies past various stars, planets and meteors. This circuit roller-coaster works on a linear synchronous motor magnetic launch system, which is a technology designed to achieve high rates of speed in a short period of time, usually a few seconds. As such, unlike some roller coasters, which make a slow first climb, this roller-coaster accelerates to high speed in the first few seconds.

D2 Dare Drop, is a vertical free-fall from a height of 132 feet at a maximum speed of 73 kilometres per hour.

Cinema 360 - Prince of Dark Waters, a 360-degree film projected on the dome ceiling, with an area of 3,100 square feet. The film is projected using six individual projectors.

Tubby Takes Off, is a merry-go-round for kids, which is designed as an adventure of a baby elephant, Tubby, a character developed by us. We seek to develop Tubby as an Imagica brand, which the guests can relate to and thus, purchase merchandise based on this character.

Alibaba Aur Chalis Chorr, based on a popular children's tale, is designed as an interactive ride through the kingdom of Gulabad in the hunt for the forty thieves. During this ride, the guests have the opportunity to shoot illuminated targets with laser light guns.

Some of our other rides include, Wagon-O-O-Wheel, a mini Ferris wheel for kids, Splash Ahoy!, a boat ride where guests can use water guns to shoot at the other boats in the reservoir, and Save the Pirate, a boat race for kids designed as a rescue trip for the Pirate.

Food and Beverage

Our F&B operations aim to provide high quality, creative and memorable culinary experiences for our guests. We use several formats to reach out to the guests in the theme park, including, food courts, restaurants, catering carts and kiosks and vending machines. Our culinary team focuses on providing creative menu offerings that appeal to our diverse guest base. All our F&B outlets are owned and operated by us.

Our key F&B outlets inside our theme park include:

Roberto's Food Coaster, a multi-cuisine food court, serving cuisines such as Indian, Mexican, Italian and Pan Asian and includes *Roberto's Jain Restaurant*, which exclusively serves Jain food. This food court has been styled as a circus tent where food is served by Roberto, a lion-cub chef, a character developed by us. This food court has a capacity of 450 guests.

Red Bonnet, an American diner styled restaurant which showcases vintage cars, themed dining tables and sitting area. It serves typical American diner offerings. This restaurant has a capacity of 350 guests.

Imagica Capital, an Indian buffet restaurant designed to give the guests a taste of different Indian flavours and serves cuisines from across the country. This restaurant has a capacity of 350 guests.

Zeze, a bar and grill which is designed as a Zulu African village with masks, artefacts and exotic tribal paintings. The menu at this outlet is based on a safari theme. This restaurant has a capacity of 350 guests.

Armada, a three-level cafe and bar modelled as a ship, which offers panoramic views of the central lagoon and entire theme park. Offerings in this restaurant include freshly made sandwiches and salads. This restaurant has a capacity of 100 guests.

Apart from these outlets, we also have many kiosks spread across the theme park, which serve items such as popcorn, candy floss, hot dogs, soups, box meals, and ice cream. We also have three banquet halls with an aggregate capacity of more than 1,200 guests. We use these banquet halls to service large corporate and school groups.

While our menu offerings are designed to have broad appeal, they also cater to guests who desire healthy options and those with special needs, such as Jain food. Through our all-day-dining offerings, we seek to deliver convenience and value to our guests with numerous eating choices for one price. We have also obtained a license to serve alcohol in certain designated outlets in our theme park.

Our F&B team consists of 244 employees, including a team of 11 trained chefs, as of December 31, 2014. Our executive chef has more than a decade of experience in the hospitality industry.

Other Entertainment Inside Our Theme Park

We also offer entertainment through live performances by acrobats, magicians, dancers and other artists throughout the day in various parts of the theme park.

We also have artists such as clowns, jugglers, stilt-walkers and actors dressed up as characters based on one of our rides and attractions who move around the theme park to engage with guests, especially children. We believe that such entertainment between the rides and attractions keep the guests longer in our theme park, thus leading to an increase in F&B and retail purchases.

We have entered into an agreement with an event management service provider and entertainment content provider to design and choreograph various live performances inside our theme park and to provide artists and crew for such performances. We also host special live performances in our theme park from time to time as part of our sales and marketing strategy to attract more guests to our theme park.

We have launched a parade of our theme park characters called the 'Grand Imagica Parade' which is performed in the evenings. As part of this parade, performers accompanied by Imagica characters such as Tubby, Roberto, Rajasaurus and Mogambo move through our theme park. The parade includes themed-floats and performers such as dancers, stilt-walkers, magicians and jugglers.

Our Aquamagica Water Park

Our water park, Aquamagica, became fully operational on October 1, 2014. Our water park has a separate admission ticket and a separate entrance from our theme park. We intend to take advantage of cross selling opportunities offered by these two different entertainment experiences. We believe that the water rides will complement the 'dry-rides' in our theme park and will allow us to attract a greater number of guests during the monsoon season and enhance Adlabs Mumbai's position as an 'all-weather entertainment destination'.

Operating Hours

Aquamagica operates between 10 a.m. to 6 p.m. It is designed as an 'all-weather park' and we can operate all our rides and attractions throughout the year. We also modify our operating hours depending on seasons and special occasions.

Layout

Our water park is located on a raised area above our theme park and is designed to provide panoramic views of our theme park. Guests are able to access our water park through a gondola ride, the length of which is approximately 218 metres. We have modelled our water park on a Mykonos theme with various structures painted in white and blue tones. It is designed around four plazas leading to various rides and attractions.

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Our Rides and Attractions

Our water park offers 14 kinds of water slides and wave pools, including water loops, individual and family slides, natural-light effect rides and other water-based entertainment, such as a beach front, waterfalls, cabanas and separate family play areas, kids play zones and toddlers play equipment. Some of our key rides and attractions in Aquamagica are described below:

Loopy Woopy, a ride that comprises a launch capsule which is controlled by a trap door, leading to a steep, near-vertical drop sliding into an inclined loop.

Screamer, a ride featuring “rattles” which change shape in alignment with the different lengths of cylinders, allowing riders to experience completely different sensations since each rattle is longer than the last.

Twisty Turvy, a coaster with drops and curves that blasts riders uphill on water jets, launching them into the ‘Super Bowl’ with centrifugal forces, keeping them high on the wall for several turns before ending through an enclosed flume into a splashdown pool.

Aqua Tube, a feet-first, high-speed slide that goes through a series of twists and turns.

Zip Zap Zoom, a six-lane, high-speed mat racer that sends riders through enclosed looping tubes. Riders can also challenge each other and race down together through the enclosed flume section.

Wacky Wavess, an artificial wave pool, where sea-like waves are formed every minute.

Aqua Funnel, a ride that plummets guests into the core of the funnel where they experience four to five near-vertical oscillations before exiting the flume in the final plunge.

We also offer family-oriented rides and attractions, including Soakerz, a family raft ride, and the Pirate Bay, an area of body and inner-tube slides with gentler speeds and slopes for younger children that also includes mini slides, water toys and playful characters.

Food and Beverage

Our F&B offerings inside Aquamagica are primarily designed as ‘grab and go’ options and include:

Ammos, a food court that includes North Indian, Mexican, Oriental, Pan-Asian and Mumbai street-style cuisine.

Sun Beatz – Pizzeria, Labanese & Bar, a bar next to the wave pool where guests can have pizzas or Lebanese snacks while sipping on cocktails or beer.

Red Bonet Express, a quick-service American diner that serves American food, including burgers, hotdogs, Southern fried chicken, classic American shakes and smoothies.

Cones, an ice cream parlour that also offers tailor-made crepes and fresh waffles with a variety of flavours and toppings.

Sandy Sipss, offers freshly squeezed juices, shakes, smoothies and tropical mocktails all day long.

Salty’s – Snacks & Rolls, serves all kinds of rolls, from the Mumbaiiya Frankie to a Mexican Burrito, along with hot beverages to go.

In addition, we have movable carts with more grab-and-go F&B offerings suited to a water park. Options include popcorn, candy floss, hotdogs, soups, box meals, nachos, pop eats, corn and golas.

Other Entertainment Inside Aquamagica

We offer earmarked areas inside our water park for private events and parties and our wave pool is designed to host live performances. We intend to position Aquamagica as a destination for young party-goers and host Bollywood and electronic dance music events where popular Indian and international artists and DJs perform at our ‘#gowiththeflow’ weekend events.

Keyless Locker System

We offer a keyless electronic locker system, which allows guests to securely store their belongings while they enjoy the water park.

Vendors

We have partnered with manufacturers and consultants who specialise in theme and water parks to develop our rides and attractions. Some of our vendors are international leaders in the creation, innovation, design, engineering, and manufacture of amusement rides and have partnered with leading global theme and water parks. Our vendors include Bolliger & Mabillard Inc., Zamperla Asia Pacific Inc., Sally Industries Inc., E2M Technologies B.V., Santec Fabricators (India) Private Limited, which is a part of the Sanderson Group, Whitewater West Industries Limited, Neptune Benson (Defender Water Filtration Systems) and Polin Dis Tic. Ltd. Sti.

Admission Tickets

We generate most of our revenue from selling admission tickets to our parks.

Guests who intend to visit our parks have the option to purchase multiple types of admission tickets. We provide discounts, actively run promotions and use dynamic pricing models to adjust to changes in demand during targeted periods to maximise revenue and manage capacity. In our theme park, our regular ticket offers unlimited access to all rides in the park for a day, while our express ticket offers unlimited access to all rides in the park for a day through a separate priority queue for select rides and attractions.

We offer a variety of discount and combination packages for families, including a car pick-up and drop, food vouchers and a free ticket for a family member, depending on the size of the family and the day of the visit. We also offer a discounted package for groups of at least 50 school students during the weekdays.

The prices of some of our current admission packages for our theme park are set out below:

| | Weekdays | | | Weekends and Public Holidays | | |
|-----------------------------------|--------------|--------------|--------------------------|------------------------------|------------------|--------------------------|
| | Adult (₹) | Child (₹) | Senior Citizen (₹) | Adult (₹) | Child (₹) | Senior Citizen (₹) |
| Regular | 1,500 | 1,200 | 1,200 | 1,900 | 1,600 | 1,600 |
| Imagica Express | 2,200 | 2,000 | 2,000 | 3,000 | 2,600 | 2,600 |
| College Pack | 1,300 | - | - | 1,500 | - | - |
| School Packages ⁽¹⁾ | - | 800-1,000 | - | - | 1,200 – 1,300 | - |

- (1) Food packages at an additional price of ₹ 250 per student for such visits are offered, which includes lunch and evening snacks and specified number of teachers and attendants allowed to enter free of charge depending on the size of the group.

The prices of our current Aquamagica admission packages are set out below:

| | Weekdays | | | Weekends and Public Holidays | | |
|--------------|--------------|--------------|--------------------------|------------------------------|--------------|--------------------------|
| | Adult (₹) | Child (₹) | Senior Citizen (₹) | Adult (₹) | Child (₹) | Senior Citizen (₹) |
| Regular | 950 | 650 | 650 | 1,150 | 800 | 800 |
| College Pass | 800 | - | - | 950 | - | - |

We also offer our guests an option to avail of a pick-up and drop-off service provided by third-party services providers from select locations in Mumbai and Pune for an additional payment of ₹ 500. In addition, we also provide free shuttle services to and from the Khopoli station at designated intervals. We have also partnered with several car and bus services to provide transport packages for our customers when they purchase certain number of admission tickets from us. We recently started a campaign titled “Ghar Se Ghar Tak” to promote these transport packages.

We give group discounts on our standard admission ticket prices for large groups depending on the size of the group and whether any add-ons such as lunch and souvenirs are requested. We also plan birthday and corporate events packages, where we customise our offerings, including rides and attractions and live entertainment along with the F&B and other requirements of our guests.

We work with travel agents, ticket resellers, logistics service providers and travel agencies, as well as maintain an online presence to promote advanced sales and provide guest convenience and ease of entry. Customers purchasing tickets through credit cards have the option of making payments in equated monthly instalments.

The following table sets out certain details about guests hosted by us at our parks for the periods indicated:

Imagica – The Theme Park

| | January 1 – March 31, 2014 ⁺ | | April 1 – June 30, 2014 ⁺ | | July 1 – September 30, 2014 ⁺ | | October 1 – December 31, 2014 ⁺ | |
|--|---|-------|--------------------------------------|-------|--|--------|--|--------|
| Total Number of Guests Hosted | 238,796 | | 181,056 | | 200,503 | | 291,706 | |
| <u>Attendance according to the Day of Visit</u> | | | | | | | | |
| Weekdays | 134,309 | 56.2% | 95,722 | 52.9% | 87,001 | 43.4% | 214,920 | 73.7% |
| Weekends and Public Holidays | 104,487 | 43.8% | 85,334 | 47.1% | 113,502 | 56.6% | 76,786 | 26.3% |
| <u>Type of Ticket</u> | | | | | | | | |
| Express Ticket Holders | 14,542 | 6.1% | 11,388 | 6.3% | 6,050 | 3.0% | 19,399 | 6.7% |
| Regular Ticket Holders | 224,254 | 93.9% | 169,668 | 93.7% | 194,453 | 97.0% | 272,307 | 93.4% |
| Daily Average Number of Guests Hosted | 2,653 | | 1,990 | | 2,179 | | 3,171 | |
| Average Realisation per Guest* (₹) | 1,655 | | 2,026 | | 1,758 | | 1,998 | |
| <u>Out of which</u> | | | | | | | | |
| Tickets | 1,249 | 75.5% | 1,554 | 76.7% | 1,354 | 77.02% | 1,525 | 76.33% |
| F&B | 285 | 17.2% | 308 | 15.2% | 304 | 17.3% | 299 | 14.96% |
| Retail & Merchandise | 78 | 4.71% | 120 | 5.9% | 69 | 3.92% | 136 | 6.81% |
| Retail (Digi Photo) | 11 | 0.7% | 18 | 0.9% | 12 | 0.68% | 14 | 0.70% |
| Parking & Stroller Charges & others | 33 | 1.99% | 26 | 1.28% | 19 | 1.08% | 24 | 1.20% |

+ A sequential quarter-to-quarter comparison of our results of operations may not be a good indicator of our performance as our business is seasonal in nature, and may be affected by weather conditions, school schedules, public holidays and weekends.

* These amounts do not include discounts offered and commissions paid in respect of certain tickets.

Aquamagica – The water park

| | October 1 – December 31, 2014 ^{#+} |
|--|---|
| Total Number of Guests Hosted | 75,316 |
| <u>Attendance according to the Day of Visit</u> | |

| | October 1 – December 31, 2014 ^{#+} | |
|---------------------------------------|---|--------|
| Weekdays | 22,314 | 29.6% |
| Weekends and Public Holidays | 53,002 | 70.4% |
| | | |
| Type of Ticket | | |
| Regular Ticket Holders | 75,316 | 100% |
| | | |
| Daily Average Number of Guests Hosted | 819 | |
| | | |
| Average Realisation per Guest* (₹) | 1,331 | |
| Out of which | | |
| Tickets | 875 | 65.74% |
| F&B | 237 | 17.81% |
| Retail & Merchandise | 163 | 12.25% |
| Retail (Digi Photo) | 21 | 1.58% |
| Parking & Stroller Charges | 34 | 2.55% |

Aquamagica became fully operational on October 1, 2014 and the revenues from the sale of tickets prior to this date were capitalised.

+ A sequential quarter-to-quarter comparison of our results of operations may not be a good indicator of our performance as our business is seasonal in nature, and may be affected by weather conditions, school schedules, public holidays and weekends.

* These amounts do not include discounts offered and commissions paid in respect of certain tickets.

Park Security and Safety

We recognise park security and safety as one of our most important focus areas in ensuring the success of our parks. Our park security and safety plan is based on three principles: being proactive, the utilisation of an optimum combination of technology and manpower and meeting international standards on security and safety. Some of the key features of our security and safety plan are set out below:

Security Agency: We have engaged one of the leading security solutions providers in India for our security needs and have developed a security plan based on a study of threats and vulnerabilities. The scope of services provided by our security solutions service provider includes the development of, setting up and operating the security infrastructure in our parks, deploying security personnel and carrying out regular training for our employees for security related issues, particularly emergency response situations.

Identified Perimeters and Zones: We have divided our parks into various layers with defined internal and external perimeters for effective monitoring and response. We have deployed access control measures at the identified entry and exit points to reduce trespassing and monitor crowd movement. We have also divided the parks into various zones to facilitate effective emergency response, evacuation and deployment of resources and manpower.

Command Centre: Our command centre has been planned as an integrated set-up, capable of monitoring and controlling the management of the parks and responding to all circumstances which may have an adverse effect on guest experiences. The functions of our command centre include:

- control and monitor all access controls across our parks, including the entry and exit points and for our rides and attractions;
- monitor the 187 CCTVs installed across our parks;
- coordinate the response to any situation that requires attention;
- operate the public address system which is designed for effective communication for functions such as crowd management;
- handle lost and found requirements;

- monitor the weather station for effective planning; and
- coordinate and control the radio communication system among our guest relation executives, our management and security personnel.

Security Equipments: Our security infrastructure consists of necessary equipments such as metal detectors, explosive vapour and trace detectors, radio sets, forced entry resistant door system, panic buttons, hooters and retractable barriers, which have been deployed at vantage points across our parks.

Safety Procedures: The most important aspect of our safety procedures is regular training and assessment of our ride operators and attendants to prevent accidents or injuries resulting from unsafe acts and conditions. In addition to monitoring for any hazard or unsafe condition, our ride operators carry out inspections at pre-designated intervals and report any unsafe condition to our maintenance department for correction. We follow a more detailed inspection and monitoring procedure for some of our critical rides and attractions, such as the roller-coasters. We also engaged 49 qualified lifeguards, who are on duty during the operating hours of our water park.

Fire and Medical Emergency Plan: We also have a comprehensive fire and medical emergency response plan. We have installed smoke and heat detectors in our offices and indoor attractions and water sprinkler and fire hydrant systems and fire extinguishers across our parks. In addition, we have a team of fire-men, sourced from external vendor, stationed in the theme park throughout the operational hours. We have a medical centre in the theme park, including a five-bed ward, which is staffed by a team of one doctor and eight nurses to respond to any medical emergency in the theme park up to such time that the guests are moved to the nearby hospitals. We have two ambulances which are deployed in the theme park throughout the operational hours.

Maintenance

Our maintenance team is responsible for the inspection, upkeep, repair and testing of our rides and attractions. We have appointed a safety officer as a member of each of our theme park and water park management team to supervise the maintenance and ride operations teams, and carry out regular audits and surprise inspections.

Every ride and attraction at our parks is inspected regularly, according to daily, weekly, monthly, and annual schedules. Particularly, all rides are inspected daily by maintenance personnel before and after use by guests to ensure their proper and safe operation. Our rides and attractions have been grouped in various clusters to ease the maintenance process, which are in turn controlled by their respective cluster managers. We have formulated detailed maintenance guidelines and checklists for each of our rides and attractions with the objective of ensuring that the rides and attractions are operating within the manufacturer's criteria and that maintenance is conducted according to internal standards, industry best practice and standards, as well as the ride designer or manufacturer's specifications. Most of our rides and attractions are currently covered by the defect liability warranty provided by our vendors at the time of the setting up of the rides and attractions. We are currently in the process of installing a networked enterprise software system which will be used to plan and track all our maintenance activities. We believe that this software will help us to schedule and request maintenance work, track progress and manage costs of parts and materials. The maintenance system of some of our rides and attractions is also linked over VPN to the respective vendors to ensure effective monitoring, data sharing and resolution of issues, if any.

We also maintain an inventory of spare parts, especially critical items and consumables, the procurement of which could involve a lead time, to avoid disruptions to our rides and attractions.

We work closely with our suppliers to train our employees from time to time. All ride maintenance personnel are trained to perform their duties according to internal training processes, in addition to recognised industry certification programs for maintenance activities.

Our infrastructure maintenance function comprises upkeep, repair, preventive maintenance and improvement of the parks infrastructure. This function is staffed with a combination of external contractors and our employees.

We obtain safety certifications from our vendors stating that the rides and attractions installed at our parks have been designed and manufactured in accordance with international standards such as the American Society for Testing and Materials, or the ASTM standard, the European, or the EN standard or the Deutsches Institut für Normung e.V., or the DIN standard. We have also engaged TUV SUD South Asia Pvt. Ltd., a leading global technical services organisation to carry out inspection, testing and installations certifications for our rides and attractions.

We also periodically engage the services of third-party maintenance audit agencies to inspect our maintenance procedures. In May 2014, we engaged the services of a third party to perform such an audit and they concluded that our maintenance practices and schedules were in compliance with the recommendations of each of our ride manufacturers.

Retail and Merchandise

We offer guests the opportunity to capture memories through our retail and merchandise operations, consisting of traditional retail shops and other sales platforms, as well as the sale of customised photos. Our merchandise product offerings are aimed at exploiting the emotional connection of the theme park experiences, as well as aligning our brand and developing characters based on these customer experiences. For example, in addition to the 'Imagica' branded merchandise such as fridge magnets, key chains, bags, apparel, caps, coffee mugs, our merchandise, such as soft toys and bags, is also based on some of the characters showcased in the theme park, such as Tubbbby, the baby elephant, Mogambo from the Mr. India movie and Roberto, the lion-cub chef.

Our retail and merchandise operations inside our water park offer a variety of merchandise products, including swimwear and beachwear for men, women and children and an Aquamagica-branded line of swimwear with a full range of offerings that include towels, caps, floats, flip flops and sippers. We also offer low-cost disposable swimwear, utility products such as rash guards and toys that our guests are likely to use in a water park. We also retail candies and utilities such as water fans, hats and sunglasses which are sourced from third parties.

We currently own and operate six retail stores inside our theme park and three retail stores inside our water park. In addition, we aim to service our guests throughout their visit to our parks through mobile selling channels such as kiosks and our employees at various strategic locations such as park entrances, queues for our rides and attractions and our F&B outlets. Our retail business encompasses product design and conceptualisation, sourcing, importing, logistics and visual presentation up to the point of sale. We engage domestic and global manufacturers from time to time for the production of our merchandise.

We also offer real time photo through which guests can purchase visual memories of the time spent at the theme park, including at the rides and attractions. We capture the moment through the use of various photography processes and technologies and offer them for sale to our guests.

We continue to explore and develop our retail and merchandise operations to extend beyond the park visit with online opportunities and to create more customised products. For example, we have recently launched our products on ours as well as other third party websites. Our retail and merchandise team consists of 65 employees and is led by an experienced professional who has worked for more than a decade in the retail industry.

Parking Facilities

We offer a parking area of 18 acres, which is very close to the entrance of the theme park. Our parking area has capacity to accommodate approximately 3,000 cars and 75 buses. We have entered into a parking management services agreement with a third party to provide the necessary manpower and required services for the management of our parking space.

Our Hotel

Our 287 key family hotel, to be called Novotel Imagica Khopoli, is located adjacent to our parks and is currently under construction. We currently estimate that 116 keys and the majority of the public facilities will be completed by March 2015, with the balance becoming operational in phases thereafter in 2015. The hotel will include a variety of rooms, including standard rooms, deluxe rooms and suites. The construction of the main structure has been completed and we are currently carrying out the interior works. We have entered into a hotel management agreement with AAPC, a company belonging to the Accor Group, which operates several global hotel chains, to manage and operate our hotel. We have also entered into a hotel consultancy service agreement with AAPC for certain consultancy and designing services.

Under the hotel management agreement, we have engaged AAPC as an agent to manage and operate the hotel on our behalf for an initial term of 15 years from the date of opening of the hotel and receipt of its first paying guest under the management of AAPC, which can be extended for two further 10-year terms by mutual consent. We have agreed to pay a base fee based on the gross revenue and an incentive fee based on the gross operating profit and gross revenue of our hotel. AAPC shall have all rights and authorities to operate our hotel, including determining all policies and procedures. We shall employ all employees of the hotel, with the exception of the general manager, who will be appointed by and will be an employee of AAPC or its affiliate, and all operating

expenses of the hotel will be borne by us.

AAPC shall provide services such as technical and IT assistance and services, central purchasing, staff training and conferencing, marketing, business and sales promotions, publicity and public relations and all other Accor group benefits, services and facilities, including any institutional advertising programmes. AAPC is required to prepare an annual business plan for our approval, detailing operational and budget estimates for the following fiscal year, and AAPC will operate our hotel in accordance with such business plan. We will have the right to terminate the hotel management agreement under certain conditions, such as if the gross operating profit of our hotel falls short of the gross operating profit estimated in the business plan.

Under the hotel consultancy service agreement, AAPC has agreed to advise us on the functionality, operational feasibility and compliance with brand standards of our hotel during the design, construction and fit-out phases. AAPC has also agreed to provide information on Accor brand standards and assist us with preparing the final plans and specifications of our hotel through review and comment. AAPC shall also assist with appointing contractors for the construction of our hotel and supervise such construction to ensure that it conforms to the final plans and specifications.

Our hotel will include a variety of amenities such as banquet halls, conference rooms, specialty restaurants, a gourmet bar, recreation areas, a swimming pool, a spa, a kids' activity centre and a fitness centre. The rooms at our hotel will also have other amenities such as, 24-hour in-room dining facility, LCD television, tea/coffee maker and Wi-Fi connectivity. In addition to attracting guests who intend to spend their weekends and holidays at our parks, we also intend to market our hotel as a venue for hosting wedding receptions, parties and other corporate events and meetings.

Marketing, Publicity, Sales and Promotion

Our marketing strategy is broadly focussed on the three consumer classes which we believe comprise a significant portion of our customer base – families with young kids, college students and young professionals with no children. We design our marketing efforts based on an events and seasons calendar, which focuses on festivals, holidays and other special occasions.

Our marketing and sales team comprises 26 employees and is headed by a professional who has more than a decade of experience in marketing and sales operations.

Our direct marketing initiatives include English, as well as regional, newspapers, radio and TV advertisements in the Mumbai, Pune, rest of Maharashtra and Gujarat markets and advertisement on outdoor sites, such as pole kiosks, bus shelters, hoardings, gantries on the Mumbai – Pune Expressway, directional signage and branded buses. While we advertise on a regular basis, we run focussed campaigns for specific events, such as the launch of a park, launch of a specific ride or attraction, new festive or seasonal packages or special offers such as the Independence Day packages. We also partner with leading newspapers for specific media and promotional events. Our dedicated marketing teams also reach out to our potential customer base directly through personal sales, kiosks and other promotional measures at college and school festivals and activities and corporate events. Some of the events where we carried out such campaigns included, 'Comic Con' held in Mumbai, HT Shine HR Conclave held in Mumbai and the Inter-School festival organised by Jamnabhai Narsee School, Mumbai. We partner with television channels to film some of their shows at our theme and water parks, which we believe adds to the appeal of our parks. Shows that have been shot at our park include V Day Trippin by Channel V, Junior Master Chef by Star Plus and MTV Style Check. We also host photo shoots for leading magazines at our theme and water parks to promote our media profile. In addition, we also participate in trade events from time to time.

We believe that publicity through word of mouth is our most important marketing tool. For example, special packages for bulk bookings made in advance by schools help us to connect with a bigger customer base. We believe that school children who visit our theme park on such school trips act as our brand ambassadors and bring the entire family back on another visit. To encourage such visits, from time to time, we also offer a free ticket for the child who comes back with the family within a stipulated period.

We have a network of selling agents to engage travel agents and tour operators to sell our admission tickets and packages across the country. Digital and social media form an important part of our marketing strategy. We utilise our website, www.adlabsimagica.com, as a promotional tool and encourage guests to plan and book their trip in advance after experiencing a virtual journey of our theme park. We also utilise the services of other web enabled aggregators. We actively monitor reviews on sites such as Tripadvisor.com and aim to respond to all

comments made. We have an active Facebook page and Twitter handle to connect with our customer-base and promote our brand and our offerings.

With the launch of our water park and our hotel, we also intend to offer various travel, stay and park packages for a hassle free holiday experience.

Proposed Developments

In December 2012, one of our promoters, Thrill Park, entered into a shareholders' agreement with Royale Luxury Private Limited for the development of a theme park in Hyderabad. A special purpose vehicle, Royale Thrill Ventures Private Limited ("RTVPL") has been incorporated to develop the theme park. Under such shareholder agreement, the parties have agreed to hold an equal shareholding in RTVPL. Currently, the parties are in discussion in relation to the shareholding structure. Further, the parties also intend to enter into a joint development arrangement with a third party who will contribute land required for the purpose of development of this theme park. Thrill Park has also agreed to assign its rights to develop this theme park under this shareholders agreement to our Company. We require the approval of our lenders to undertake this project. In addition, we have advanced a sum of ₹ 125 million to RTVPL as an advance against equity. Currently, RTVPL is in the process of finalising the project development plan and obtaining necessary approvals.

We have also entered into a memorandum of understanding, dated July 1, 2013, to form a consortium for the purpose of submitting bids to Guj-Tour Development Company Limited, an undertaking of the Government of Gujarat, for developing tourism-related projects in Gujarat.

We also intend to develop an adventure-course tower adjacent to our hotel as an additional entertainment option, which we expect to complete by December 2015. We intend to offer half to one hour sessions of various individual and team adventure activities such as wall-climbing and a giant swing.

We have also recently entered into a memorandum of understanding with ACME Entertainment, dated October 7, 2014, whereby ACME Entertainment will conceptualize, construct, install, erect and run a snow park at Adlabs Mumbai. The snow-park will have a common ticketing facility with Adlabs Mumbai and will include an entry section and waiting lounge where guests can relax and change into the gear for entering the snow area. The snow area will be spread over approximately 16,000 square feet and will have snow fall and include slides, ice sculptures and a dance floor. The snow park will also have F&B outlets and a souvenir shop. We expect snow park to commence operations in the second half of 2016. Revenues generated from the sale of snow park tickets will be shared between us and ACME Entertainment.

Accreditations and Recognitions

The Department of Tourism, Government of Maharashtra has recognised Adlabs Mumbai as a 'mega tourism project'. In addition, Adlabs Mumbai has also been granted an exemption from payment of entertainment tax for a period of 10 years from the commencement of the operations in accordance with the Tourism Policy, 2006 issued by the Government of Maharashtra.

Competition

We believe that there are significant barriers to entry into the business of theme and water parks in India. Among the most important of these barriers is the need for significant capital expenditure to set up a theme or water park, the difficulty to identify and purchase large and suitable parcels of land at commercially viable terms, the limited number of persons with the skills necessary to operate a theme and water park and the importance of public recognition of an established brand name.

Visiting theme and water parks is a part of discretionary spending and is perceived to be a leisure activity. Consequently, our business is sensitive to a number of factors that influence discretionary consumer spending. In addition, we compete with other tourism and recreation activities, such as heritage tours, cinemas, dining out and travel involving consumers' discretionary expenditure. Adverse changes in factors affecting discretionary consumer spending could reduce consumer demand for our services, resulting in a reduction in the number of guests hosted by us.

While we believe that Imagica – The Theme Park is the only theme park in India, in the last few years, metropolitan cities and major Tier I cities in India have seen many new amusement and water parks. Essel World and Water Kingdom are the two amusement parks in Mumbai, Pune and the rest of Maharashtra. Some of the other amusement parks in India include Wonderla in Bangalore, Wonderla in Kochi, Kingdom of Dreams in

Gurgaon and Ramoji Film City in Hyderabad.

Utilities

We have an approval from the Maharashtra State Electrical Distribution Company Limited for the supply of a maximum of 20.1 MW of electricity for Adlabs Mumbai. We have constructed and operate a 220 KVA sub-station next to our theme park to ensure an uninterrupted supply of electricity. We utilise diesel generators for back up for the utilities, fire-fighting equipment and our F&B outlets.

We are permitted to draw up to 1.5 million litres of water per day from the nearby reservoir. We have also constructed a reservoir with a capacity of 270 million litres of water per year adjacent to Adlabs Mumbai to harvest rain water, supply Aquamagica for its daily usage and also recharge groundwater.

Human Resources

As of December 31, 2014, we had 1,248 employees, divided among the following functional lines:

| Department | Number |
|--|--------------|
| Senior Management | 20 |
| Technical | 264 |
| Park Operations (including Safety & Security) | 429 |
| F&B | 244 |
| Retail and Merchandise | 105 |
| Sales and Marketing | 29 |
| Finance, Human Resources, Administration and Back-office | 157 |
| Total | 1,248 |

In addition, we have also outsourced our security and park cleaning functions to third parties who deploy their personnel in our parks.

None of our employees are covered by collective bargaining agreements. We consider our relations with our employees to be good. Our employees currently receive salaries and benefits which, we believe, are competitive in the industry. In addition to recruiting employees who already have experience in their areas of focus, we ensure that our employees are up-to-date with current trends in our industry and accomplish this by providing professional training to employees at all levels.

We believe that a motivated and dedicated employee base is the key to our success in managing our parks and has allowed us to provide a safe and exciting experience for our guests.

Intellectual Property

Through a permitted users license agreement dated November 25, 2013, Mr. Manmohan Shetty has granted us a worldwide, non-exclusive license, with retrospective effect from January 14, 2010, to use the trademark and related artistic work for the label “ADLABS” as part of our corporate name, domain name, our products and services. The license agreement is valid for a period of 15 years from January 14, 2010.

The owners of intellectual property rights in relation to the title, design, characters, images, dialogues and music for the Bollywood movie, Mr. India, have assigned these rights for perpetuity to our Company for use in our attraction, *Mr. India – The Ride*, for a one-time fee.

We have also made applications in respect of intellectual property developed by us in our ordinary course of business, including trademarks over logos and names of rides, attractions, F&B outlets and characters used for our merchandise, under the relevant categories under the Trademarks Act, 1999. Some of the key logos that we use are as follows:



Insurance

We maintain the following insurance policies subject to specified limits: (a) public liability policy to insure payment arising out of legal liabilities including claimant's costs, fees and expenses; (b) directors and officers liability policy to insure against loss arising from any claim made against directors or officers of our Company; (c) group personal accident insurance to insure all our employees against accident; (d) commercial general liability policy; (e) industrial all risk policy to insure against material damages, business interruptions and protection of property; (f) marine-cum-erection policy; (g) workmen compensation policy to insure against any injuries or death to staff; and (h) office policy to insure our Company's office assets against loss or damage. We also have a money insurance policy and a fidelity policy to insure the money in the personal custody of the insured or the authorised employee of the insured whilst in transit between premises and bank or post office or vice versa and vehicle insurance policies. We have procured our insurance policies from United India Insurance Company Limited, the New India Assurance Company Limited, Bajaj Allianz Life Insurance Company Limited, Bharti-AXA General Insurance, ICICI Lombard General Insurance Company Limited and L&T General Insurance. There can be no assurance that our insurance coverage will be sufficient to cover the losses we may incur. For further details in relation to risks associated with insurance policies of our Company, see the section "Risk Factors – Our insurance coverage may not be adequate to cover all possible losses that we could suffer" on page 26.

Corporate Social Responsibilities

We organise CSR activities from time to time to engage with the local communities around Adlabs Mumbai, including free day trips for children from nearby schools, offering employment opportunities and organising medical camps.

Properties

Land

We own approximately 302 acres of land (the "AEL Land") at Khopoli. The AEL Land comprises (i) land aggregating to approximately 132 acres on which Adlabs Mumbai is located (the "Adlabs Mumbai Land"); and (ii) approximately 170 acres of surplus land (the "AEL Surplus Land"). Adlabs Mumbai Land comprises of approximately 114 acres of land which is presently under use (the "Project Land") and 18 acres of surplus land earmarked for future expansion (the "Surplus Project Land"). Since the Adlabs Mumbai Land was agricultural in nature, our Company was required to obtain the following approvals prior to the acquisition and use of the Adlabs Mumbai Land, as applicable:

- the orders of the Directorate of Industries through the Development Commissioner (Industries), Government of Maharashtra (the "DIC") issued under section 63-1A of the Bombay Tenancy and Agricultural Lands Act, 1948 (the "DIC Permission"); and
- the orders for use of the private land for non-agricultural purposes issued under the Maharashtra Land Revenue Code, 1966 (the "NA Orders").

Our Company has obtained the DIC Permissions for Adlabs Mumbai Land and is therefore, permitted to own such land. Further, our Company has obtained the NA Orders in relation to the Project Land and is therefore, permitted to develop such land for setting up Adlabs Mumbai. Our Company intends to obtain the necessary NA Orders in relation to the Surplus Project Land prior to using such land.

There is an arbitration proceeding pending relating to 65 acres of land which forms part of Adlabs Mumbai Land. Further, our Company has received a notice from the Divisional Commissioner Office in relation to the acquisition and use of the land by our Company pursuant to allegations made by certain individuals. See the sections "Risk Factors – Land title in India can be uncertain and our Company may not be able to identify or correct defects or irregularities in title to the land which it owns or intends to acquire" and "Outstanding Litigation and Material Developments" on pages 32 and 33 and 277, respectively, for further details.

Walkwater Properties Private Limited ("Walkwater Properties"), which became our wholly-owned subsidiary with effect from September 11, 2014, has agreed to the joint-development of a township project on the AEL Surplus Land and it has applied to the Government of Maharashtra for an approval to develop a township project on this parcel of land along with certain adjoining parcels of land owned by third parties. We intend to enter into the relevant agreements with Walkwater Properties and other parties upon the receipt of the necessary approvals.

Pursuant to a deed of conveyance, dated September 29, 2014, we transferred 137.33 acres of the AEL Surplus Land to Walkwater Properties for a consideration of ₹ 1,057.57 million, subject to the existing mortgage in favour of the security trustee for the Consortium Lenders and rights of the Consortium Lenders in respect of the same. We are awaiting the consents required from the Consortium Lenders for the conclusion of this transaction. See the section “Risk Factors – The township project proposed on the AEL Surplus Land may not materialise if the required approvals are not received for transfer of AEL Surplus Land to Walkwater Properties” on page 29 for further details.

We have also entered into an agreement, dated November 7, 2014, to sell the balance 32.58 acres of the AEL Surplus Land to Walkwater Properties for a consideration of ₹ 273.71 million subject to the existing mortgage in favour of the security trustee for the Consortium Lenders and rights of the Consortium Lenders in respect of the same. This balance AEL Surplus Land was acquired by us under the DIC Permission. This conveyance will be subject to the approval of the Consortium Lenders, the DIC and the FIPB. See the section “Risk Factors – Our Company may not be able to transfer a portion of the AEL Surplus Land to Walkwater Properties if the required approvals are not received” on page 30 for further details.

In addition, we also hold 8.16 acres of land on a leasehold basis near Adlabs Mumbai.

Our Offices

Our registered office is located inside Adlabs Mumbai. Our corporate office is located at 9th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai. However, we are currently using the premises at 3rd Floor, Nimbus Centre, SAB TV Road, Andheri (West), Mumbai on a temporary basis. For a description of the arrangement in respect of our corporate office, see the section “Our Promoters and Promoter Group – Interests of Promoters” on page 160.

REGULATIONS AND POLICIES

Given below is a summary of various laws and regulations applicable to our Company. The information detailed in this chapter has been obtained from various statutes, regulations and/or local legislations and the bye laws of the relevant authorities that are available in the public domain. The description of the applicable regulations as given below has been provided in a manner to give a reasonable impression of the laws/regulations applicable to our Company and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

KEY INDUSTRY REGULATIONS

We own and operate, Imagica – The Theme Park, which is one of the leading theme parks in India. Our theme park features a diverse variety of rides and attractions of international standards, food and beverages (“F&B”) outlets and retail and merchandise shops. We are also in the process of developing Aquamagica, a water park and a family hotel. We own and operate an array of F&B outlets inside our theme park, including a multi-cuisine food court, an American diner styled restaurant, an Indian buffet restaurant, a bar and grill and a cafe modelled as a ship. We also offer entertainment through live performances by acrobats, magicians, dancers, musicians and other artists throughout the day in various parts of our theme park.

For further details, see the section “Our Business” on page 111.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations.

Tourism Policy of Maharashtra, 2006

In December 2006, the Government of Maharashtra, Department of Tourism and Cultural Affairs, notified the Tourism Policy, 2006 (“TPM”), which came into effect from November 1, 2006 (“Effective Date”). The TPM shall remain in force for a period of 10 years from the Effective Date or the date on which it is substituted by a new policy.

The TPM covers tourist projects in the private sector, state public or joint sector and co-operative sector. The eligible units include water sports and amusement parks, among others. The TPM offers fiscal incentives to the amusement industry in relation to entertainment tax / amusement tax for a period ranging from five to 10 years depending on the location of the tourism project. In order to avail of the incentives made available under the TPM, eligible entities are required to make an application to the Maharashtra Tourism Development Corporation Limited (“MTDC”), which is the implementing agency for the incentive scheme under the TPM. Upon review of the requisite applications, MTDC will issue a provisional registration certificate which shall be valid for a period up to three years (“Initial Validity Period”). In the event the eligible entity is unable to complete and operationalise the project within the Initial Validity Period, it will be required to apply for an extension along with a progress report for the project to MTDC. Upon review of such extension application, MTDC may grant an extension for two years.

Upon commencement of commercial operations at unit, MTDC issues the eligibility certificate. Additionally, capital investment during the operative period of a unit shall be considered, subject to the maximum ceiling of 100% as specified in the TPM. The grant of incentives under the TPM is subject certain specified conditions, which include among others, (a) the unit availing the incentives under the TPM shall install and operate and maintain pollution control measures as per the norms laid down by the competent authority in this regard; and (b) the unit shall remain operational commercially for a continuous period of at least eight to seventeen years after it is commissioned and that the unit shall be compelled to repay the amount of incentives availed in case of discontinuation. Additionally, in terms of the TPM, the incentives are liable to be withdrawn in the event of breach of any of the specified conditions.

Food Services Regulations

The Food Safety and Standards Act, 2006 (“FSSA”)

The FSSA was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (“FSSAI”). FSSAI sets out scientific standards for articles of

food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption.

Every person or entity carrying on the food business requires a license in terms of the provisions of Section 31 of the FSSA. The FSSA sets out the requirements for licensing and registering food business, lays down the general principles for safety and the responsibilities and liabilities of the food business operator. The procedure for obtaining the license in terms of the FSSA has been laid down in the Food Safety and Standards Rules, 2011.

The Bombay Prohibition Act, 1949 (“Bombay Prohibition Act”)

The Bombay Prohibition Act prohibits the sale of alcohol without obtaining a license in terms of its provisions. Also, sale of foreign liquor has to be made in terms of the Bombay Foreign Liquor Rules, 1953.

The licenses provided under the Bombay Prohibition Act can be suspended or cancelled in terms of the provisions of Section 54 or 56 of the Bombay Prohibition Act.

Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act has repealed and replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The key features of the Legal Metrology Act are:

- Units of weights and measures to be based on metric system only.
- All weights and measures must follow the prescribed specification and should be verified and also re-verified periodically before use.
- Pre-packaged commodities must bear statutory declarations.
- Registration is required before import of any weight or measure.
- Approval of model is required before manufacture or import of any weight or measure.
- Without license no weight or measure may be manufactured, sold or repaired.

Environment Regulations

We are subject to various environment regulations as the operation of our parks might have an impact on the environment where they are situated in. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are indicative of the fact that the industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be kept renewed. Our parks require approvals under the following environmental legislations.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of standards set down by the State Pollution Control Board (“State PCB”). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. The State PCB is required to grant, or refuse, consent within

four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the State Board shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

Environment Protection Act, 1986 (“EPA”)

The EPA has been enacted with an objective for protection and improvement of the environment and for matters connected therewith. As per this Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (“Hazardous Waste Rules”)

The term “Hazardous Waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the Hazardous Waste has been defined as an “Occupier”. Further in terms of the Hazardous Waste Rules, the Occupier has been *inter-alia* made responsible for safe and environmentally sound handling of Hazardous Wastes generated in his establishment and shall require license/authorisation for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the Hazardous Waste from the State Pollution Control Board.

The Bombay Police Act, 1951 (“Bombay Police Act”)

The Bombay Police Act provides that all the ‘places of public entertainment’ and ‘eating houses’ shall obtain a license or obtain registration in terms of the provisions of the said act and the said licenses shall be renewed annually. Various provisions of the Bombay Police Act also provide for creating of rules and regulations by various authorities like the Commissioner and the District Magistrate to regulate the aforesaid places of public entertainment and eating houses. The terms “places of public entertainment” and ‘eating houses’ have been defined in the Bombay Police Act.

Section 131-A of the Bombay Police Act provides for a penalty in case of the non-compliance of the aforesaid provisions in case of non-obtainment or renewal of the aforesaid licenses/registrations which includes an imprisonment of up to one month.

The Bombay Entertainment Duty Act, 1923 (“Entertainment Duty Act”)

The Entertainment Duty Act provides that there shall be levied and paid to the state government on all payments for admission to any place of entertainment including an “amusement park”, a term that has been defined under the provisions of Section 2 of the Entertainment Duty Act. The Entertainment Duty Act provides that the entertainment duty may be levied at a concessional rate if the payment for admission to a place of entertainment is made of a lump sum basis.

Maharashtra Fire Prevention and Life Safety Measures Act, 2006 and rules made thereunder (“Fire Act”)

The Fire Act provides that the owner or the occupier of a building shall provide fire prevention and life safety measures in such building or part thereof, minimum fire fighting installations as specified against such building in the said Schedule and the owner or, as the case may be, the occupier shall maintain the fire prevention and life safety measures in good repair and efficient condition at all times, in accordance with the provisions of the Fire Act or the rules. The said owner or the occupier shall also obtain a certificate from the relevant authority in terms of the Fire Act in relation to the aforesaid compliance and the same shall be renewed as per the provisions of the Fire Act.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as Adlabs Entertainment Private Limited on February 10, 2010 at Mumbai as a private limited company under the Companies Act, 1956, upon conversion of M/s. Dream Park (“Dream Park”), a partnership firm. Dream Park was a partnership firm formed under the provisions of Indian Partnership Act, 1932 through a partnership deed dated May 18, 2009 with registration number BA-10153 with our Promoters, among others, as partners. Subsequently, the partners of Dream Park, mutually agreed and transferred their interests by way of a resolution dated December 31, 2009 to convert into private company limited by shares having share capital of ₹ 1 million divided into 100,000 Equity Shares. Further, our Company was converted into a public limited company and consequently, the name of our Company was changed to Adlabs Entertainment Limited. A fresh certificate of incorporation pursuant to the change of name was issued by the RoC on April 27, 2010.

Our Company has 40 members as of the date of filing of this Red Herring Prospectus.

Our Company has undertaken Pre-IPO Placement post the filing of the DRHP, wherein on October 10, 2014, the Company allotted (i) 95 Equity Shares and 474,978 compulsorily convertible debentures of face value ₹ 1,000 each to NYLIM Jacob Ballas India Holdings IV; and (ii) 5 Equity Shares and 24,999 compulsorily convertible debentures of face value ₹ 1,000 each to Jacob Ballas Capital India Private Limited for an aggregate amount of ₹ 500.00 million. This investment was made pursuant to the investment agreement dated October 8, 2014 entered into among the Company, Promoters, NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited. On January 30, 2015, the 474,978 compulsorily convertible debentures issued to NYLIM Jacob Ballas India Holdings IV were converted into 2,539,989 Equity Shares and the 24,999 compulsorily convertible debentures issued to Jacob Ballas Capital India Private Limited were converted into 133,684 Equity Shares.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, see the sections “Our Management”, “Our Business” and “Industry Overview” on pages 144, 111 and 98, respectively.

Changes in Registered Office

The details of changes in the registered office of our Company are given below:

| Date of change of Registered Office | Details of the address of Registered Office |
|-------------------------------------|---|
| March 31, 2013 | From 9 th Floor, Lotus Business Park, New Link Road, Andheri(West), Mumbai 400 053 to 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 206, Maharashtra, India |
| April 22, 2013 | From 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 206 to 30/31, Sangdewadi, Khopoli Pali Road, Taluka Khalapur, District Raigad 410 203, Maharashtra, India |

The changes in the Registered Office were made to ensure greater operational efficiency and to meet growing business requirements and rectification of a clerical error in the pincode.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

“To carry on the business of conceptualizing, developing, planning, setting up, owning, managing, operating, acquiring, Amusement Parks, Entertainment Parks, Adventure Parks, Mythological Parks, Theme Parks, Spiritual Parks, to set up Entertainment Centers, Entertainment Arcades, Video Parlours, Bowling Alleys, Games Parlours, Sports Centers, Entertainment Software, to develop Tourist and Picnic Spots with or without boarding and lodging facilities and to provide all kinds of infrastructure and supporting services like Restaurants, Hotels, Café, Taverns, Bars, Refreshment Rooms, Fast Food Outlets, Pubs, Inns, Health and Fitness Centers, Clubs, F & B Centers, Conference Rooms, Tourist and Taxi Services, Retail Malls,

Entertainment Malls as may be necessary or expedient for conducting the aforesaid business of the company.”

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association since the incorporation of our Company.

| Date of Shareholders' Resolution | Particulars |
|---|---|
| February 13, 2010 | Clause V of the Memorandum of Association was amended to reflect the increase in authorised capital from ₹ 10 million divided into 1,000,000 Equity Shares to ₹ 400 million divided into 40,000,000 Equity Shares |
| December 12, 2011 | Clause V of the Memorandum of Association was amended to reflect the increase in authorised capital from ₹ 400 million divided into 40,000,000 Equity Shares to ₹ 450 million divided into 45,000,000 Equity Shares |
| September 26, 2012 | Clause V of the Memorandum of Association was amended to reflect the increase in authorised capital from ₹ 450 million divided into 45,000,000 Equity Shares to ₹ 500 million divided into 50,000,000 Equity Shares |
| August 31, 2013 | Clause V of the Memorandum of Association was amended to reflect the increase in authorised capital from ₹ 500 million divided into 50,000,000 Equity Shares to ₹ 2 billion divided into 200,000,000 Equity Shares |

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

| Month and Year | Particulars |
|-----------------------|---|
| February 2010 | Our Company was incorporated in the name and style of 'Adlabs Entertainment Private Limited'. |
| April 2010 | Our Company was converted from a private limited company to a public limited company and consequently the name of our Company was changed to 'Adlabs Entertainment Limited'. |
| April 2010 | The project of setting up the theme park by our Company was given the status of a megaproject by the Tourism and Cultural Affairs Department, Government of Maharashtra. |
| March 2012 | Our Company availed a loan from the Consortium Lenders. For details of the same, see the section "Financial Indebtedness" on page 256. |
| December 2012 | The outstanding loan amount under loan taken from Centrum Financial Services Limited was converted into 2,295,455 Equity Shares which were allotted at the price of ₹ 220 per Equity Share. For details, see the section "Capital Structure" on page 73. |
| August 2013 | India Advantage Fund invested an amount equal to ₹ 1,439,999,880 by subscribing to 1,439,999 Compulsorily Convertible Debentures of our Company and four Equity Shares. For further details, see the section "History and Certain Corporate Matters" on page 139. |
| November 2013 | Imagica – The Theme Park commenced commercial operations.* |
| October 2014 | Aquamagica – the water park commenced commercial operations |

| | |
|--------------|--|
| October 2014 | NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited invested an amount aggregating to ₹ 500.00 million by subscribing to 499,975 compulsorily convertible debentures of ₹ 1,000 each and 100 Equity Shares |
|--------------|--|

**The first phase of our hotel comprising 116 keys is expected to be completed by March 2015, with the balance 171 keys becoming operational in phases thereafter in 2015.*

Our Holding Company

Our Company has a holding company, Thrill Park. For further details, see the section “Our Promoters and Promoter Group” on page 158.

Our Subsidiary

Our Company has one subsidiary, Walkwater Properties Private Limited. For further details see the section “Our Subsidiary” on page 142.

Summary of Key Agreements

Investment Agreement dated August 30, 2013 entered into among our Company, Thrill Park, Manmohan Shetty, Aarti Shetty and India Advantage Fund

An investment agreement dated August 30, 2013 (“IAF Investment Agreement”) was entered into among our Company, Thrill Park, Manmohan Shetty, Aarti Shetty and the India Advantage Fund. In terms of the IAF Investment Agreement, India Advantage Fund agreed to purchase four Equity Shares at the price of ₹ 220 each (including a premium of ₹ 210 per Equity Share) aggregating to ₹ 880; and 1,439,999 compulsorily convertible debentures of our Company at the price of ₹ 1,000 each at par aggregating to approx. ₹ 1,439.99 million (“IAF CCDs”). The proceeds of this investment were proposed to be used for capital expenditure for setting up of the theme park, water park, hotel, retail, dining and entertainment.

In terms of the IAF Investment Agreement, our Company is required to make an initial public offering of the Equity Shares of our Company within either: (i) first window, i.e., 18 months from the completion date as defined under the Investment Agreement (the “Completion Date”); or (ii) second window, i.e., after the first window, but within 36 months from the Completion Date. In terms of the IAF Investment Agreement, in the event the initial public offering is not made within the windows mentioned above, India Advantage Fund will have exit rights such as requiring the promoters to purchase its securities, undertaking an initial public offering of our Company or a secondary sale to an unrelated party within an extended window which will run until 54 months from the Completion Date. The IAF Investment Agreement also provides for a conversion factor to determine price of conversion of the IAF CCDs into the Equity Shares which is based upon certain pre-money valuation thresholds. Additionally, India Advantage Fund has been provided customary investor rights such as management rights, pre-emption rights, right of first offer and tag-along rights.

IAF Investment Agreement can be terminated by mutual consent between the parties or if India Advantage Fund or any of its Affiliates (as defined in the IAF Investment Agreement) cease to hold the securities of our Company, or among others on the occurrence of an event of default in terms of the IAF Investment Agreement.

India Advantage Fund, through its letters dated April 7, 2014, May 17, 2014 and December 2, 2014, has consented to the Issue and other related matters such as amendment of the Articles of Association, subject to certain conditions including a minimum pre-Issue valuation of our Company. To facilitate the Issue, India Advantage fund has agreed to the termination of the IAF Investment Agreement from the date of listing of the Equity Shares, except for representations and warranties and such other provisions of the IAF Investment Agreement which would survive the termination of the IAF Investment Agreement, which are in relation to confidentiality, cost and expenses, indemnification, termination, notices, governing law and jurisdiction, dispute resolution and miscellaneous.

All IAF CCDs issued to the India Advantage Fund were converted into 10,434,775 Equity Shares on January 30, 2015. For further details of this conversion, see the section “Capital Structure” on page 73.

Investment Agreement dated October 8, 2014 entered into among our Company, our Promoters and NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited

An investment agreement dated October 8, 2014 (“JB Investment Agreement”) was entered into among our

Company, our Promoters, NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited. Pursuant to the JB Investment Agreement, the Company allotted (i) 474,978 compulsorily convertible debentures of face value ₹ 1,000 each and 95 Equity Shares to NYLIM Jacob Ballas India Holdings IV; and (ii) 24,999 compulsorily convertible debentures of face value ₹ 1,000 each and 5 Equity Shares to Jacob Ballas Capital India Private Limited, (NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited collectively, the “Pre-IPO Investors”, and the compulsorily convertible debentures, “JB CCDs”) for an aggregate amount of ₹ 500.00 million.

Under the terms of the JB Investment Agreement, if the Issue is not opened within six months from October 10, 2014, certain rights provided to the New Investors under the JB Investment Agreement shall come into effect from such date. The Company, Promoters, India Advantage Fund and the New Investors have also entered into an inter-se agreement dated October 8, 2014 which shall be terminated upon listing of Equity Shares pursuant to the Issue.

All JB CCDs issued to the Pre-IPO Investors were converted into 2,673,673 Equity Shares on January 30, 2015. For further details of this conversion, see the section “Capital Structure” on pages 73 and 74.

Shareholders’ Agreement dated December 9, 2012 between Thrill Park and Royale Luxury Private Limited

On December 9, 2012, our Promoter, Thrill Park, entered into a shareholders’ agreement (the “JV Agreement”) with Royale Luxury Private Limited (“Royale”) for setting up of a joint venture company (with equal shareholding of Thrill Park and Royale) which would undertake the business of acquiring, designing, developing and constructing a theme park, water park, resort hotel, retail and dining area, parking and other facilities, and such other activities, as may be agreed upon by the parties, in Hyderabad, Andhra Pradesh (the “Hyderabad Project”). The JV Agreement sets out the rights and obligations of Thrill Park and Royale in relation to: (a) the setting up of the joint venture company; (b) management and capitalisation of the joint venture company; and (c) other matters pertaining to the Hyderabad Project.

On February 22, 2013, the joint venture company, Royale Thrill Ventures Private Limited (“RTVPL”) was incorporated. As on date, the entire equity share capital of RTVPL is held by Royale. The parties to the JV Agreement and RTVPL have agreed to the assignment of the rights and obligations of Thrill Park under the JV Agreement in the favour of our Company through letter dated May 15, 2013 and to enter into appropriate documentation.

Pursuant to the JV Agreement, Thrill Park, Royale and the joint venture company (under incorporation), as represented by Royale, entered into a memorandum of understanding with Ramky Estates and Farms Limited and Ramky Integrated Township Limited (collectively, the “Ramky Group”) on December 9, 2012 (the “JV MoU”) for the acquisition of land for the Hyderabad Project and for a real estate project (“JV Real Estate Project”) to be undertaken in the vicinity of the theme park project in Hyderabad. Subsequently, Thrill Park and Royale, acting on behalf of the joint venture company under incorporation, entered into an agreement of sale with the Ramky Group on December 9, 2012 for the purchase of land pertaining to the Hyderabad Project and the JV Real Estate Project (the “JV ATS”).

Guarantees:

In terms of the Common Loan Agreement, our Promoter, Thrill Park, has issued a corporate guarantee dated March 19, 2012, in favour of security trustee for the Consortium Lenders, to secure the Consortium Loan and outstanding amount thereon. This guarantee shall remain in full force and effect till the final settlement date in terms of the Common Loan Agreement. For further details, see the section “Financial Indebtedness” on page 256.

Other Material Contracts

Memorandum of Understanding dated July 1, 2013

Our Company has entered into a memorandum of understanding dated July 1, 2013 with certain parties to form a consortium for submitting bids to Guj-Tour Development Company Limited, a government of Gujarat undertaking (“Guj-Tour”), to develop tourism projects in the state of Gujarat in terms of the request for proposal issued by Guj-Tour.

Apart from the aforesaid agreements, our Company has not entered into any material contract which is not in the ordinary course of business of our Company. However, in relation to the material contracts that are in the

ordinary course of business, see the section “Material Contracts and Documents for Inspection” on page 414.

Hotel Management Agreement dated August 29, 2014

Our Company entered into an agreement with AAPC India Hotel Management Private Limited (“AAPC”) on August 29, 2014 (the “Hotel Management Agreement”). Under the Hotel Management Agreement, the Company has engaged AAPC as an agent to manage and operate the Company’s under construction hotel for an initial period of 15 years under the name “Novotel Imagica Khopoli” on a base and incentive fee based on the revenues of the hotel.

Financial and Strategic Partners

Our Company does not have any financial and strategic partners as of the date of filing this Red Herring Prospectus.

OUR SUBSIDIARY

Our Company has one subsidiary, Walkwater Properties Private Limited.

1. Walkwater Properties Private Limited (“WPPL”)

WPPL was incorporated on October 22, 2007 as a private limited company under the name and style of Adlabs Properties Private Limited under the laws of India. Subsequently, the name of the company was changed to Walkwater Properties Private Limited and a fresh certificate of incorporation was issued on July 10, 2008. WWPL has its registered office at 9th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai – 400 053.

In terms of the main objects of memorandum of association, WWPL is in the business of buying, selling and developing of real estate properties and to buy, take on lease, hire or other wise acquiring any interest in land, building, flats, shops, offices, residential and commercial properties and to develop, to let, sublet, give on lease, hire, rent, leave and license or otherwise turn the same to account and to dispose off and deal with the same; and to carry on the business of builders and developers, erectors, constructors, buyers, sellers of buildings, houses, apartments, ownership flats, bungalows, structures of residential, office, industrial, institutional or commercial establishments, bridges, tunnels, highways, expressways, canals and other civil engineering work or developers of housing schemes and in particular preparing building sites, constructing, re-constructing, erecting, altering, improving, enlarging, developing, decorating, holding, furnishing and maintaining structures, flats, houses, factories, shops, offices, garages, warehouses, buildings, works, workshops, hospitals, nursing homes, clinics, hotels, motels, recreation clubs & amusement parks, industrial parks, malls, multiplexes, godown, other commercial, educational purposes and conveniences, and to invest in and hold such properties and also to rent, hire, lease such properties.

The capital structure of WWPL is as follows:

| | No. of equity shares of ₹ 10 each |
|--|-----------------------------------|
| Authorised capital | 1,000,000 |
| Issued, subscribed and paid-up capital | 415,000 |

The shareholding pattern of WPPL is as follows:

| Sr. No. | Name of the shareholder | No. of equity shares of ₹ 10 each | Shareholding percentage |
|--------------|------------------------------|-----------------------------------|-------------------------|
| 1. | Adlabs Entertainment Limited | 414,900 | 99.97 |
| 2. | Kapil Bagla* | 40 | 0.01 |
| 3. | Mayuresh Kore* | 30 | 0.01 |
| 4. | Deepak Agarwal* | 30 | 0.01 |
| Total | | 415,000 | 100.00 |

* As a nominee of our Company.

Public issue and rights issue

WPPL has not made any public or rights issue in the last three years nor have they become sick companies or are under winding up. Further, the Subsidiary is not listed on any stock exchange whether in India or abroad.

WPPL has not been refused listing of any securities, at any time, by any of the recognised stock exchanges in India or abroad.

Common Pursuits

WPPL does not conduct business similar to that conducted by our Company.

Interest of the Subsidiary in our Company

WPPL does not have any interest in our Company’s business.

Material transactions

There are no sales or purchase between WPPL and our Company where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company except as mentioned below:

- A deed of conveyance dated September 29, 2014, pursuant to which our Company transferred 137.33 acres of the AEL Surplus Land to Walkwater Properties for a consideration of ₹ 1,057.57 million, subject to the existing mortgage in favour of the security trustee for the Consortium Lenders and rights of the Consortium Lenders in respect of the same. For further details, see the section “Our Business – Properties – Land” on page 132.
- An agreement dated November 7, 2014 entered into by our Company to sell the balance 32.58 acres of the AEL Surplus Land to Walkwater Properties for a consideration of ₹ 273.71 million subject to the existing mortgage in favour of the security trustee for the Consortium Lenders and rights of the Consortium Lenders in respect of the same. For further details, see the section “Our Business – Properties – Land” on page 132.

OUR MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 10 Directors. As on the date of this Red Herring Prospectus, our Board comprises six Directors.

The following table sets forth details regarding our Board of Directors:

| Sr. No. | Name, designation, father's name, address, occupation, term and DIN | Age (years) | Other directorships/ partnerships/ trusteeships/ memberships |
|---------|--|-------------|---|
| 1. | <p>Manmohan Shetty</p> <p><i>Father's name:</i> Ramanna Shetty</p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>Address:</i> 21, Golden Beach, Ruia Park Road, Juhu, Mumbai 400 049</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Liable to retire by rotation; appointed as the Chairman and Managing Director for a period of five years from September 2, 2013.</p> <p><i>DIN:</i> 00013961</p> | 66 | <p><i>Other Directorships*</i></p> <ul style="list-style-type: none"> • Centrum Capital Limited; • Mukta Arts Limited; • P & M Infrastructures Limited; • Royale Thrill Ventures Private Limited; • Thrill Park; • United Producers Forum; • Walkwater Media Limited; and • Whistling Woods International Limited. <p><i>Partnerships</i></p> <ul style="list-style-type: none"> • M/s Dream Estates <p><i>Memberships</i></p> <ul style="list-style-type: none"> • Film & Television Producers Guild of India |
| 2. | <p>Kapil Bagla</p> <p><i>Father's name:</i> Vishnu Prasad Bagla</p> <p><i>Designation:</i> Whole-time Director and Chief Executive Officer</p> <p><i>Address:</i> 4A/ 401-402, Himalaya Building, Asha Nagar, Kandivli (East), Mumbai - 400 101</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Liable to retire by rotation; appointed as the Whole-time Director and Chief Executive Officer for a period of three years from July 5, 2014.</p> <p><i>DIN:</i> 00387814</p> | 46 | <p><i>Other Directorships</i></p> <ul style="list-style-type: none"> • Thrill Park; • Blue Haven Entertainment Private Limited; • Idea Count Education Private Limited; • IRock Media Private Limited; • Swapnajyoti Trading Private Limited; and • Walkwater Properties Private Limited. <p><i>Partnerships</i></p> <ul style="list-style-type: none"> • M/s Dream Estates |

| Sr. No. | Name, designation, father's name, address, occupation, term and DIN | Age (years) | Other directorships/ partnerships/ trusteeships/ memberships |
|---------|---|-------------|--|
| 3. | <p>Prashant Purker</p> <p><i>Father's name:</i> Madhusudan Purker</p> <p><i>Designation:</i> Nominee Director (Non-Executive Director)</p> <p><i>Address:</i> 1st Floor, C – Wing, Lloyds Garden, Apasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Not liable to retire by rotation</p> <p><i>DIN:</i> 00082481</p> | 52 | <p>Other Directorships</p> <ul style="list-style-type: none"> • Blue Sky International Mauritius; • BTI Payments Private Limited; • Crest Gear Tech Private Limited; • Devyani International Limited; • ICICI Venture Funds Management Company Limited • Mahindra Gears and Transmissions Private Limited; • Mahindra Gears Global Limited; • Metalcastello S.p.A; • RJ Corp Limited; • Sainik Mining and Allied Services Limited; and • Walkwater Properties Private Limited. |
| 4. | <p>Anjali Seth</p> <p><i>Father's name:</i> K.N. Seth</p> <p><i>Designation:</i> Non-Executive and Independent Director</p> <p><i>Address:</i> B-1301, Birchwood, C-H-S Ltd, Main Street, Hiranandani Gardens, Powai Mumbai 400 076</p> <p><i>Occupation:</i> Legal Counsel</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Liable to retire by rotation. For a period of five years from April 4, 2014 to April 3, 2019</p> <p><i>DIN:</i> 05234352</p> | 56 | <p>Other Directorships</p> <ul style="list-style-type: none"> • Caprihans (India) Limited; • JMC Projects (India) Limited; and • Walkwater Properties Private Limited. |
| 5. | <p>Ghulam Mohammed</p> <p><i>Father's name:</i> Mohammed Ghulam Ghouse</p> <p><i>Designation:</i> Non-Executive and Independent Director</p> <p><i>Address:</i> 1303, Shubda, Sir Pochkanwala Road, Worli, Mumbai 400 018</p> | 66 | <p>Other Directorships</p> <ul style="list-style-type: none"> • Indo-IB Capital Partners Limited; • Oswal Industries Limited; and • Tribune Corporate & Investment Advisory Services Private Limited. <p>Partnership</p> |

| Sr. No. | Name, designation, father's name, address, occupation, term and DIN | Age (years) | Other directorships/ partnerships/ trusteeships/ memberships |
|---------|---|-------------|--|
| | <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: Liable to retire by rotation. For a period of five years from April 4, 2014 to April 3, 2019</p> <p>DIN: 00591038</p> | | <ul style="list-style-type: none"> D&G Emerging Industries; and GG Advisory. |
| 6. | <p>Steven A. Pinto</p> <p>Father's name: Late Martin Pinto</p> <p>Designation: Non-Executive and Independent Director</p> <p>Address: A-11, Tahnee Heights, 66 Napean Sea Road, Mumbai 400 006</p> <p>Occupation: Corporate advisor</p> <p>Nationality: Indian</p> <p>Term: Liable to retire by rotation. For a period of five years from April 4, 2014 to April 3, 2019</p> <p>DIN: 00871062</p> | 69 | <p>Other Directorships</p> <ul style="list-style-type: none"> Automobile Corporation of Goa Limited; Centrum Retail Services Limited; Crif High Mark Credit Information Services Private Limited; Easy Access Finance Limited; and Redington Middle East – FTZE. |

* Manmohan Shetty has resigned from the board of director of Alliance Lumiere Limited with effect from December 21, 2011, pending completion of certain regulatory formalities. As a matter of prudence, Mr. Shetty filed a copy of the resignation letter dated December 21, 2011 with the Registrar of Companies, Delhi on March 3, 2014. A copy of the said resignation letter has been acknowledged by the Registrar of Companies, Delhi.

Relationship between our Directors

None of our other Directors are related to each other.

Brief Biographies

Manmohan Shetty is the Chairman and Managing Director of our Company. He has passed his first year arts examination from the University of Mumbai. He has more than three decades of experience in the media and entertainment business which includes running a film processing laboratory, theatrical exhibition business, film production and digital cinema. He is responsible for our Company's overall business operations and is responsible for conceptualising and launching "Adlabs Imagica". Prior to the incorporation of our Company, he founded Adlabs Films Limited which went public in January 2001. He was also instrumental in introducing the 'IMAX' exhibition format by setting up India's first IMAX theatre in Mumbai. He was also the former Chairman of the National Film Development Corporation set up by the Government of India and the former President of the Film and Television Producers Guild of India. He has been a Director of our Company since its incorporation.

Kapil Bagla is the Whole-time Director and an Executive Director of our Company. He holds a bachelor's degree in Mechanical Engineering from S.V.R. College of Engineering and Technology, Surat and a master's degree in Management Studies from the Principal L.N. Welingkar Institute of Management and Research, University of Mumbai. He has over two decades of experience in financial services and media industry. Prior to joining our Company he was working with Adlabs Films Limited as the corporate head – strategic planning and acquisitions, Centrum Capital Limited as an executive director, Calculus Credit Limited as the assistant vice president, Apple Industries Limited and Larsen & Toubro Limited. He is also the Chief Executive Officer of our Company and has been instrumental in the creation of "Adlabs Imagica". He is responsible for business

management, strategic planning, project implementation, general management and corporate finance. He has been a Director of our Company since its incorporation.

Prashant Purker is a Nominee Director and Non-Executive of our Company. He holds a bachelor's degree in Technology (Metallurgical Engineering) from the Indian Institute of Technology, Kanpur and holds a post graduate diploma in Management from Indian Institute of Management, Ahmedabad. He has over two decades of experience in global financial markets and Indian capital markets, across equity and debt instruments. He was appointed as a Director of our Company on November 20, 2013.

Anjali Seth is a Non-Executive and Independent Director of our Company. She holds a bachelors' degree in Law from the University of Delhi. She has over two decades of experience as a legal counsel in the banking and real estate space. Prior to joining our Company, she worked both as a litigator and corporate lawyer with banks, real estate companies and acted as a legal consultant to both Indian and international standard companies such as World Gold Council and Kalpataru Power Transmission Limited. She was appointed as a director in our Company on April 4, 2014.

Ghulam Mohammed is a Non-Executive and Independent Director of our Company. He holds a bachelors' degree in Arts (Hons.) from the University of Mumbai. He has over four decades of experience in manufacturing, IT, international trade and exports, strategic, corporate, financial advisory and new projects. Prior to joining our Company, Ghulam Mohammed has held various senior management positions relating to IT, international trade and setting up new joint ventures and projects in the Mahindra & Mahindra Group of companies. He was appointed as a director of our Company on April 4, 2014.

Steven A. Pinto is a Non-Executive and Independent Director of our Company. He holds a bachelors' degree in Arts (Economics Hons.) from the University of Mumbai and a master's degree in Management from the University of Mumbai. He has over four decades of experience in the banking industry. Prior to joining our Company he held varied senior management positions in banks and companies. He was appointed as a director of our Company on April 4, 2014.

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on BSE or NSE, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been, or was, delisted from any stock exchange during the term of their directorship in such company.

Terms of appointment of Executive Directors

Manmohan Shetty

Manmohan Shetty was appointed as our Chairman and Managing Director, pursuant to a Board resolution dated September 2, 2013 and Shareholders' resolution dated September 30, 2013, with effect from September 2, 2013 for a period of five years. Manmohan Shetty has not received any remuneration from our Company in the financial year 2014.

Kapil Bagla

Kapil Bagla was re-appointed as a Whole-time and Executive Director of our Company pursuant to a Board resolution dated August 14, 2014 and Shareholders' resolution dated September 30, 2014 for a period of three years from July 5, 2014 and an agreement dated September 30, 2014 was entered into between our Company and Kapil Bagla. Pursuant to the Shareholders' resolution dated September 30, 2014, Kapil Bagla is entitled to a remuneration of ₹ 12.18 million per annum, including a performance linked incentive, with effect from April 1, 2014 including allowances and perquisites. In terms of the letter dated September 10, 2014 issued by our Company to Kapil Bagla, the details in relation to the annual remuneration of Kapil Bagla with effect from April 1, 2014 are as follows:

| Particulars | Amount (₹) |
|-----------------------|------------|
| Basic salary | 3,610,148 |
| House rent allowance | 1,805,074 |
| Educational allowance | 2,400 |

| Particulars | Amount (₹) |
|------------------------------|------------|
| Conveyance allowance | 9,600 |
| Washing allowance | 7,200 |
| Special allowance | 1,155,391 |
| Ex-gratia bonus | 3,00,846 |
| Retirement benefits | 606,866 |
| Re-imbursements | 15,27,846 |
| Performance linked incentive | 3,158,880 |

Kapil Bagla received a total remuneration of ₹ 7.85million from our Company in the financial year 2014.

Payment or benefit to Directors of our Company

The sitting fees/other remuneration paid to our Directors in the financial year 2014 are as follows:

1. Remuneration to Executive Directors:

The aggregate value of the remuneration paid to the Executive Directors in the financial year 2014 is as follows:

| Name of Director | Salary (₹ in millions) |
|------------------|------------------------|
| Manmohan Shetty | Nil |
| Kapil Bagla | 7.85 |

2. Remuneration to Non-Executive Directors:

In terms of the approval of the Board of Directors in its meeting dated September 11, 2013, each of the Non-Executive Directors of our Company are entitled to a sitting fee of ₹ 15,000 per meeting attended. Further, pursuant to the approval of the Board of Directors in its meeting dated May 17, 2014, each of the Non-Executive Directors of our Company are entitled to a sitting fee of ₹ 50,000 per meeting of the Board of Directors attended and ₹ 25,000 per meeting of the committees of the Board of Directors attended. The details of the sitting fee paid to the Non-Executive Directors in the financial year 2014 are as follows:

| Name of Director | Sitting Fees (₹ in millions) |
|------------------|------------------------------|
| Prashant Purker | 0.03 |
| Naresh Patwari* | 0.03 |
| Anjali Seth | Not applicable |
| Ghulam Mohammed | Not applicable |
| Steven A. Pinto | Not applicable |

*Naresh Patwari has resigned and his resignation was approved through a resolution of the Board of Directors dated April 4, 2014

Remuneration paid or payable to our Directors by our Subsidiary

No remuneration has been paid and is payable to our Directors by our Subsidiary, except the sitting fees payable to Prashant Purker and Anjali Seth, in their capacity as directors of our Subsidiary.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Prashant Purker has been nominated to the Board by our Shareholder, India Advantage Fund pursuant to the IAF Investment Agreement. For further details, see the section "History and Certain Corporate Matters" on page 139.

Except as disclosed above, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on the Board.

Shareholding of Directors

The shareholding of our Directors as of the date of filing this Red Herring Prospectus is set forth below:

| Name of Director | Number of Equity Shares | Percentage Shareholding (%) |
|------------------|-------------------------|-----------------------------|
| Manmohan Shetty | 2,842,152 | 4.62 |
| Kapil Bagla | 178 | 0.00 |

The shareholding of our Directors in our Subsidiary as of the date of filing this Red Herring Prospectus is set forth below:

| Name of Director | Number of Equity Shares | Percentage Shareholding (%) |
|------------------|-------------------------|-----------------------------|
| Kapil Bagla* | 40 | 0.00 |

**as a nominee of our Company*

Interest of Directors

The Independent Directors may be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a committee thereof and/or the commission payable to them. All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of 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.

Other than Manmohan Shetty who is our Promoter, none of our Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Except as disclosed below in this Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors:

- Our Company has entered into a license agreement dated November 25, 2013 with Manmohan Shetty for use of the trademark “Adlabs” registered in the name of Manmohan Shetty. In terms of the said agreement our Company is required to pay ₹ 100,000 per annum to Manmohan Shetty and the same is paid with effect from January 14, 2010.

Except as disclosed below, our Directors have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

1. Our Company has entered into a leave and license agreement with Manmohan Shetty dated April 30, 2013 for license of the premises situated at 9th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai 400 053 from April 1, 2012 to March 31, 2017. In terms of the said leave and license agreement, our Company is required to pay rent of ₹ 1,925,000 per month with effect from April 1, 2012 and the rent is subject to increase by 10% every year for the remaining term of the agreement; and
2. Our Company has entered into a leave and license agreement with Manmohan Shetty dated December 14, 2012 for license of 16 parking slots at Lotus Business Park, New Link Road, Andheri (West), Mumbai 400 053 from April 1, 2012 to March 31, 2017. In terms of the said agreement our Company is required to pay ₹ 96,000 per month and the rent shall be subject to increase by 10% every year for the remaining term of the agreement.

Except as stated in this section and the related party transactions during the six months period ended September 30, 2014, the financial years 2014, 2013, 2012, 2011 and the period ended March 31, 2010 in the section “Related Party Transactions” on page 168, our Directors do not have any other interest in the business of our Company.

Our Directors have not availed any loans from our Company.

None of the beneficiaries of loans or advances by our Company; and the sundry debtors of our Company are related to the Directors of our Company.

Further, except statutory benefits upon termination of their employment in our Company on retirement, no officer of our Company, including our Directors and the Key Management Personnel, are entitled to any benefits upon termination of employment.

Appointment of relatives of Directors to any place of profit

Except as disclosed below, none of the relatives of our Directors hold any office or place of profit in our Company:

1. Our Company has entered into a consultancy agreement effective April 1, 2012 with Pooja Deora, daughter of Manmohan Shetty, to provide consultancy services on marketing, operations and business development and identifying potential business partners, clients, negotiating contracts on behalf of our Company and implementation of the F&B strategy at the theme park, hotel and retail areas among others for a period commencing from April 1, 2012 upto July 31, 2015. The consultancy fee payable under this agreement is ₹ 249,500 per month up to July 31, 2014 and ₹ 500,000 per month with effect from August 1, 2014.
2. Our Company has entered into a consultancy agreement dated April 1, 2013 with Aarti Shetty, daughter of Manmohan Shetty, to provide consultancy services on the design and art work in respect of the films exhibited at the theme park and at the water park, consulting on improving the façade of the rides and attractions at Imagica – The Theme Park and at the water park including advising on the strategy for implementation of changes and providing market analysis and potential business threats for our Company for a period commencing from April 1, 2013 upto July 31, 2015. The consultancy fee payable under this agreement is ₹ 200,000 per month up to July 31, 2014 and ₹ 500,000 per month with effect from August 1, 2014.

Changes in the Board in the last three years

| Name | Date of Appointment/ Change/ Cessation | Reason |
|-----------------|---|---|
| Praveen Nischol | March 25, 2013 | Appointed as an additional Director |
| Aarti Shetty | March 25, 2013 | Resignation |
| Manmohan Shetty | September 2, 2013 | Change in designation to Chairman and Managing Director |
| Pooja Deora | September 2, 2013 | Appointed as an additional Director |
| Praveen Nischol | September 30, 2013 | Confirmed as a Director |
| Pooja Deora | September 30, 2013 | Confirmed as a Director |
| Chandir Gidwani | September 30, 2013 | Appointed as an additional Director |
| Prashant Purker | November 20, 2013 | Appointed as a Nominee Director |
| Naresh Patwari | November 20, 2013 | Appointed as a Nominee Director |
| Chandir Gidwani | February 19, 2014 | Resignation |
| Pooja Deora | February 19, 2014 | Resignation |
| Naresh Patwari | April 4, 2014 | Resignation |
| Prashant Purker | April 4, 2014 | Confirmed as a Nominee Director |
| Praveen Nischol | April 4, 2014 | Resignation |
| Anjali Seth | April 4, 2014 | Appointed as an additional Director |
| Ghulam Mohammed | April 4, 2014 | Appointed as an additional Director |
| Steven A. Pinto | April 4, 2014 | Appointed as an additional Director |
| Anjali Seth | April 11, 2014 | Confirmed as a Director |
| Ghulam Mohammed | April 11, 2014 | Confirmed as a Director |
| Steven A. Pinto | April 11, 2014 | Confirmed as a Director |
| Kapil Bagla | July 6, 2014 | Appointed as a Whole-time Director |

Borrowing Powers of Board

In accordance with the Articles of Association and pursuant to a resolution passed by the Shareholders of our Company on January 23, 2015, the Board, is authorised to borrow such sum or sums of money or monies, on

such terms and conditions and with or without security as the Board of Directors may think fit which together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/monies so borrowed by our Board shall not at any time exceed the limit of ₹ 15,000 million.

Corporate Governance

The Corporate Governance provisions of the Equity Listing Agreement to be entered into with the Stock Exchanges will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable laws and regulations, including the Equity Listing Agreement with the Stock Exchanges, Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and the Equity Listing Agreement with the Stock Exchanges and in accordance with best practices in corporate governance. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board of Directors detailed reports on its performance periodically.

Currently, our Board has six Directors, of which the Chairman of the Board is an Executive Director. In compliance with the requirements of Clause 49 of the Equity Listing Agreement, our Company has two Executive Directors and four Non-Executive Directors, including three Independent Directors, on the Board.

Committees of the Board

Audit Committee

The members of the Audit Committee are:

1. Steven A. Pinto, *Chairman*;
2. Ghulam Mohammed;
3. Prashant Purker; and
4. Anjali Seth.

The Audit Committee was constituted by a meeting of the Board of Directors held on February 15, 2010. The Audit Committee was reconstituted pursuant to resolution passed by the Board in its meeting held on November 20, 2013 and further, on April 4, 2014. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement and its terms of reference include the following:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of our Company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of our Company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems; and
- h) monitoring the end use of funds raised through public offers and related matters.

The Audit Committee is required to meet at least four times in a year under Clause 49 of the Equity Listing Agreement.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Steven A. Pinto, *Chairman*;
2. Ghulam Mohammed;
3. Kapil Bagla; and
4. Prashant Purker.

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on April 4, 2014. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee include formulating policy for nomination and remuneration of directors and senior management to ensure that: (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/KMPs of the quality required to run our Company successfully; (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of our Company and its goals.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Anjali Seth;
2. Kapil Bagla; and
3. Prashant Purker.

The Stakeholders' Relationship Committee was constituted by the Board of Directors at their meeting held on April 4, 2014. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013. The terms of reference of the Stakeholders' Relationship Committee of our Company include considering and resolving the grievances of holders of any kind of securities of our Company.

Corporate Governance Committee

The members of the Corporate Governance Committee are:

1. Anjali Seth;
2. Manmohan Shetty; and
3. Prashant Purker.

The Corporate Governance Committee was constituted by the Board of Directors at their meeting held on April 4, 2014. The terms of reference of the Corporate Governance Committee of our Company include the following:

- a) to implement the corporate governance code in accordance with the Clause 49 of the Equity Listing Agreement and amendments made in the Equity Listing Agreement from time to time;
- b) to implement the Companies Act, 2013 and rules made under the Companies Act, 2013 to the extent notified and as may be notified from time to time; and
- c) any other matters as may be relevant to corporate governance in listed companies.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Steven A. Pinto;
2. Prashant Purker; and
3. Manmohan Shetty.

The Corporate Social Responsibility committee was constituted by the Board of Directors at their meeting held on April 4, 2014. The terms of reference of the Corporate Social Responsibility Committee of our Company include the formulating, recommending to the Board, and monitoring from time to time, a corporate social responsibility policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013 and recommend the amount to be incurred on such activities.

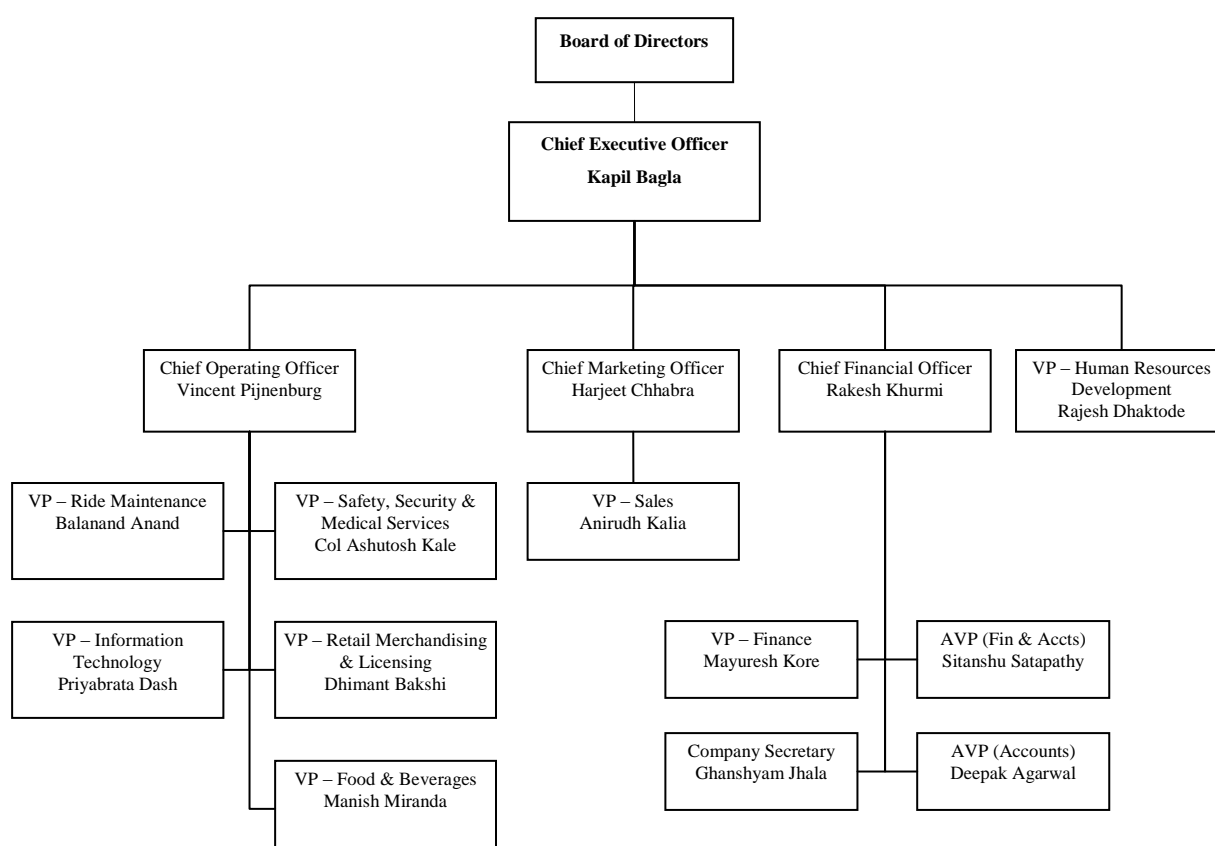
Risk Management Committee

The members of the Risk Management Committee are:

1. Manmohan Shetty, *Chairman*;
2. Kapil Bagla; and
3. Col. Ashutosh Kale.

The Risk Management Committee was constituted by the Board of Directors at their meeting held on January 23, 2015. The terms of reference of the Risk Management Committee of our Company include framing, implementing and monitoring the risk management plan of our Company.

Management Organisation Chart



Key Management Personnel

The details of our Key Management Personnel are as follows:

Vincent Pijenburg, 42, holds the position of Chief Operating Officer of our Company. He holds a bachelor's degree in Engineering in International Aviation Management from Amsterdam Polytechnic University. He has over two decades of work experience in the entertainment industry and has worked in amusement parks and theme parks in four continents. He is responsible for overseeing the entire theme park operations and overall consumer experience. Prior to joining our Company he was working with KIDZ S.A.L, a company based in Lebanon, as Managing Director and EMAAR Retail LLC, United Arab Emirates as the general manager for Kidzania. He was appointed on July 15, 2013 and his term of office expires in our Company in the year 2016, subject to renewal at the end of each year. During the financial year 2014, he was paid a gross compensation of ₹ 5.25 million.

Sitanshu Satapathy, 41, holds the position of the Assistant Vice-President –Finance and Accounts – Site of our Company. Sitanshu Satapathy is a member of the Institute of Chartered Accountants of India and holds a masters in business administration degree from the Institute of Modern Management, Kolkata. He has over a decade of work experience in the finance. He is responsible for the accounts and finance for our theme park operations. Prior to joining our Company, he was working with Brand Marketing (India) Private Limited and MK Retail Private Limited as the deputy general manager - accounts and finance, Staples Future Office Products Private Limited as a senior manager – accounts and Radhakrishna Hospitality Services Limited as manager-finance. He was appointed on December 26, 2012 and his term of office in our Company expires in the year 2031. During the financial year 2014, he was paid a gross compensation of ₹ 2.93 million.

Balanand Anand, 48, is the Vice-President –Engineering – Ride Maintenance department of our Company. Balanand Anand holds a bachelor's degree in Mechanical Engineering from the University of Calicut and holds a post graduate diploma in Biomedical Engineering from Institute of Human Resources Development in Electronics, Kerala. He has over two decades of experience in diversified fields of engineering. He is responsible for introducing customized maintenance management procedures and software to make sure the system is compliant to international standards and safety. Prior to joining our Company he was working with ABB L.L.C as MEP engineer coordinator, Fichtner GmbH & Co. KG as building services engineer, Deltatec Engineering Services as senior engineer and Ramoji Film City as technical head. He was appointed on October 14, 2011 and his term of office in our Company expires in the year 2025. During the financial year 2014, he was paid a gross compensation of ₹ 3.24 million.

Dhimant Bakshi, 41, is the Vice President – Retail, Merchandising and Licensing of our Company. He holds a bachelor's degree in Science from University of Mumbai and a master's degree in Management Studies (Marketing), from Welingkar Institute of Management, Development and Research. He also holds a certificate for completion of the INSEAD Leadership Programme from the INSEAD Business School for the World. He has completed a certificate course in Innovation for Leaders organised by Reliance Retail Limited. He has about two decades of experience in the retail industry. He is responsible for design and product development for retail and merchandising operations. Prior to joining our Company he was working with Future Group as head-category management (sales and merchandising), Reliance Fresh Limited as general manager (sales), Pantaloon Retail (India) Limited as a senior manager, Globus Stores Private Limited as assistant general manager, Piramyd Retail and Merchandising Private Limited and Shopper's Stop Limited as assistant manager - merchandising. He was appointed on June 15, 2012 and his term of office in our Company expires in the year 2031. During the financial year 2014, he was paid a gross compensation of ₹ 4.33 million.

Mayuresh Kore, 36, is the Vice President - Finance of our Company. Mayuresh Kore holds a bachelor's degree in Commerce (Financial Accounting and Audit) from the University of Mumbai and holds a master's degree in Management Studies (Finance) from Principal L.N. Welingkar Institute of Management and Research. He has about a decade of experience in project finance, treasury and investment banking. He is responsible for banking, corporate finance, insurance and cash flow management of our Company. Prior to joining our Company he was working with Walkwater Media Limited as Assistant Vice President, Adlabs Films Limited as an assistant manager, and Centrum Finance Limited as an assistant manager. He was appointed on April 1, 2010 and his term of office in our Company expires in the year 2036. During the financial year 2014, he was paid a gross compensation of ₹ 3.85 million.

Ashutosh Kale, 50, is the Vice-President – Safety and Security at our Company. He holds a master's degree of Science in Defence and Strategic Studies from University of Madras. Additionally, he has completed the International Senior Officers' Peace Support Operations Planning course from the Peace Support Training

Centre, Kenya and AVSEC training in Civil Aviation Security from the Bureau of Civil Aviation Security, Ministry of Civil Aviation, Government of India. He has over two decades of experience in the safety and security sector, of which he has served the Indian Army for two decades. He is currently responsible for the safety and security aspects of the theme park. Prior to joining our Company he was associated with Go Air as a General Manager - Security. He has been awarded the United Nations Mission in Ethiopia and Eritrea Force Commander's Commendation by the United Nations and United Nations Medal for Qualifying Service as a Military member of the United Nations Mission in Ethiopia and Eritrea. He was appointed on June 25, 2012 and his term of office in our Company expires in the year 2023. During the financial year 2014, he was paid a gross compensation of ₹ 3.36 million.

Manish Miranda, 36, holds the position of the Vice-President – Food and Beverages of our Company. He holds a diploma in Chef Management from Academy of Culinary Education, Goa and holds a diploma in Food Production Principles from The American Hotel and Motel Association. He has over a decade of experience in the food and beverages industry and he has contributed to building and managing Indian and international food and beverage brands like Dish Hospitality Private Limited as brand manager - Cinnabon, Jumboking Private Limited as general manager-supply chain and food and beverages, Nando's Indage Restaurants Private Limited as business head and Sodexo as assistant vice president-food services. He is currently responsible for management of the entire food and beverages segment of our Company. Prior to joining our Company he was working with Cinnabon India as Brand Manager. He was appointed on June 18, 2012 and his term of office in our Company expires in the year 2036. During the financial year 2014, he was paid a gross compensation of ₹ 3.57 million.

Deepak Agrawal, 40, is the Assistant Vice President - Accounts and Finance of our Company. Deepak Agrawal is a Chartered Accountant from Institute of Chartered Accountants of India. He has over a decade of experience in the media, entertainment and publishing industry. He is responsible for financial statutory compliance of our Company and liaising with auditors and tax authorities. Prior to joining our Company he was working with Walkwater Media Limited as Senior Manager – Accounts and Finance and PVR Limited as the Western Regional Manager- Accounts and Finance. He was appointed on April 1, 2010 and his term of office in our Company expires in the year 2032. During the financial year 2014, he was paid gross compensation of ₹ 2.94 million.

Rajesh Dhaktode, 45, holds the position of the Vice-President – Human Resources of our Company. Rajesh Dhaktode holds a masters degree in Arts Tourism Management from Indira Gandhi National Open University, a diploma in Human Resource management from Principal L.N. Welingkar Institute of Management and Research, a diploma in Hotel Management from National Council for Hotel Management and Catering Technology, New Delhi and a masters degree in Business Administration from National Institute of Management. He has over two decades of experience in operations and human resources. He is responsible for managing human resources and training at our Company. Prior to joining our Company he was working with Daman Hospitality Private Limited as the chief human resources and administration officer, Pan India Food Solution Private Limited as head – human resources, Fleet Maritime Services (India) Private Limited as a manager, human resources and Radhakrishna Hospitality Services Private Limited as a senior manager – human resources and administration. He was appointed on November 7, 2011 and his term of office in our Company expires in the year 2027. During the financial year 2014, he was paid a gross compensation of ₹ 2.92 million.

Ghanshyam Singh Jhala, 55, is the Company Secretary and Compliance Officer of our Company. Ghanshyam Singh Jhala is an associate member of the Institute of Company Secretaries of India and he holds a bachelor's degree in law from Mohanlal Sukhadia University, Udaipur. He has over two decades of experience in the fields of accountancy, legal and regulatory compliance and company secretarial services. He is responsible for the secretarial compliances at our Company and our Group Companies. Prior to joining our Company he was involved in secretarial practices at Daman Hospitality Private Limited, Fabindia Overseas Private Limited, Central Office Mewar Palace Organisation Private Limited, Pesticides India and Rajasthan Udyog. He was appointed on February 10, 2012 and his term of office in our Company expires in the year 2017. During the financial year 2014, he was paid a gross compensation of ₹ 1.75 million.

Anirudh Kalra, 44, holds the position of Vice President – Sales of our Company. He holds a bachelors degree in Arts (Economics and Political Science) from the University of Allahabad, a masters degree in Business Administration from the Institute of Management Studies, DAVV, Indore. Further, he has completed Tata Groups Emerging Leaders Programme and the Accelerated Development Program from The Wharton School, University of Pennsylvania. He has over a decade of experience in various industries such as telecom and consumer services. He is responsible for sales function at our Company. Prior to joining our Company he was the vice president – marketing at Tata Teleservices Limited, the national sales manager at Shell Gas India

Limited, manager for advertisements and promotions at Exxon Mobil Peeves Company Limited and assistant manager at Gujarat Gas Company Limited. He was appointed on December 23, 2013 and his term of office in our Company expires in the year 2028. During the financial year 2014, he was paid a gross compensation of ₹ 1.35 million.

Rakesh Khurmi, 46, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from Punjab University and a master's degree in business administration from Punjab University. He is also a qualified cost accountant from the Institute of Cost and Works Accountants of India. He is responsible for planning, implementing, managing and controlling all financial related activities of our Company which includes responsibility for accounting, finance, forecasting, strategic planning, job costing, legal, property management, deal analysis and negotiations, investor relationships and partnership compliance and private and institutional financing. He has approximately over two decades of experience in debt syndication, private equity, business planning, accounts, revenue assurance and risk and compliance management. Prior to joining our Company, he was working as the Chief Financial Officer for Tikona Digital Networks Private Limited. He had also held various positions at Bharti Infotel Limited and Reliance Infocom Limited. He has also worked for Spice Communications Limited, Hutchison Max Telecom and bplnet.com Limited. He was appointed as the Chief Financial Officer of our Company on October 1, 2014 and his term of office in our Company expires in the year 2026.

Harjeet Chhabra, 39, is the Chief Marketing Officer of our Company. He holds a bachelor's degree in science and a bachelor's degree in education from Utkal University, Bhubaneswar and a post graduate diploma in business management from the Institute of Productivity and Management, Lucknow. At our Company, he is responsible for marketing and communication strategy and management and the design, development, and implementation of products and service lines. He has over a decade of experience in marketing across sectors such as consumer electronics, media and entertainment. Prior to joining our Company, he was a senior vice president marketing with television channel Sab TV, Multi Screen Media Private Limited. He has also worked with Zee Interactive Learning Systems Limited, Sansui, Videocon International Limited, Videsh Sanchar Nigam Limited, and Worldwide Media Private Limited. He was appointed as Chief Marketing Officer of our Company on May 6, 2014 and his term of office in our Company expires in the year 2033.

None of the Key Management Personnel are related to each other.

All the Key Management Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel

Except as disclosed below, none of the Key Management Personnel hold any Equity Share as of the date of this Red Herring Prospectus:

| S. No. | Name of the Key Management Personnel | No. of Equity Shares | Percentage (%) |
|---------------|---|-----------------------------|-----------------------|
| 1. | Mayuresh Kore | 1,775 | 0.0 |
| 2. | Deepak Agrawal | 178 | 0.0 |

Bonus or profit sharing plan of the Key Management Personnel

None of the Key Management Personnel is party to any bonus or profit sharing plan of our Company other than the performance linked incentives given to each of key managerial personnel.

Interests of Key Management Personnel

The Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any.

None of the Key Management Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Further, there is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any Key Management Personnel was selected as member of senior management.

Changes in the Key Management Personnel

Other than the changes with respect to Managing Director and the Whole-time Director which is detailed in the section “–Changes in the Board in the last three years”, the changes in the Key Management Personnel in the last three years are as follows:

| Name | Designation | Date of change | Reason for change |
|----------------------|--|--------------------|-------------------|
| Ghanshyam Jhala | Company Secretary | February 10, 2012 | Appointment |
| Cecil Solomon C | Vice President - Construction | February 24, 2012 | Resignation |
| Perminder Singh | Assistant Vice President - Operations | May 7, 2012 | Appointment |
| Dhimant Bakshi | Vice President - Merchandising/ Retail/ Licensing | June 15, 2012 | Appointment |
| Manish Miranda | Assistant Vice President - Food & Beverages | June 18, 2012 | Appointment |
| Ashutosh Kale | Assistant Vice President - Safety and Security | June 25, 2012 | Appointment |
| Sitanshu Satapathy | General Manager - Accounts & Finance | December 26, 2012 | Appointment |
| Vincent Pijnenburg | Chief Operating Officer | July 15, 2013 | Appointment |
| Sanjay Prabhu | Directors - Operations | September 30, 2013 | Resignation |
| Anirudh Kalia | Vice President - Sales | December 23, 2013 | Appointment |
| Ranjith Rajasekharan | Vice President - Marketing | February 28, 2014 | Resignation |
| Balanand Anand | Vice-President - Ride Systems, Ride Engineering Department | April 1, 2014 | Re-designation |
| Ashutosh Kale | Vice-President - Safety and Security | April 1, 2014 | Re-designation |
| Manish Miranda | Vice-President - Food and Beverages | April 1, 2014 | Re-designation |
| Rajesh Dhaktode | Vice-President - Human Resources | April 1, 2014 | Re-designation |
| Sitanshu Satapaty | Assistant Vice-President - Accounts and Finance | April 1, 2014 | Re-designation |
| Harjeet Chhabra | Chief Marketing Officer | May 6, 2014 | Appointment |
| Rakesh Khurmi | Chief Financial Officer | October 1, 2014 | Appointment |
| Ghanshyam Jhala | Company Secretary | August 14, 2014 | Resignation |
| Ghanshyam Jhala | Company Secretary | August 14, 2014 | Appointment |
| Perminder Pal Singh | Assistant Vice-President - Operations | August 1, 2014 | Resignation |

Payment or Benefit to officers of our Company

No non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company’s employees including the Key Management Personnel and our Directors within the two preceding years except in accordance with complimentary tickets and discount policy dated January 14, 2014 through which discounted/complimentary tickets are provided to employees subject to meeting the eligibility criteria and certain conditions.

OUR PROMOTERS AND PROMOTER GROUP

Manmohan Shetty and Thrill Park are the Promoters of our Company.



Manmohan Shetty

Manmohan Shetty, 66, is the Chairman and Managing Director of our Company. He is a resident Indian national. For further details, see the section “Our Management” on page 144.

The driving license number of Manmohan Shetty is MH02 20100150710 and his voter identification number is MT/08/038/249077.

Our Company confirms that the permanent account number, bank account number and passport number of Manmohan Shetty have been submitted to the Stock Exchanges at the time of filing of Draft Red Herring Prospectus.

Thrill Park Limited

Corporate Information

Thrill Park was incorporated as a private limited company on October 22, 2007 under the Companies Act, 1956 with company incorporation number U92190MH2007PLC175250. The registered office of Thrill Park is situated at 9th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai 400053, Maharashtra, India. The main objects of Thrill Park are:

1. To carry on the business of conceptualizing, developing, planning, setting up, owning, managing, operating, acquiring, amusement parks, entertainment parks, thrill parks, adventure parks, mythological parks, theme parks, spiritual parks, to set up entertainment centers, entertainment arcades, video parlours, bowling alleys, games parlours, sports centers, entertainment soft wares, to develop tourist and picnic spots with or without boarding and lodging facilities and to provide all kinds of infrastructure and supporting services like restaurants, hotels, café, taverns or bars, refreshment rooms, fast food outlets, pubs, inns, health and fitness centers, clubs, F&B centers, conference rooms, tourist and taxi services, retail malls, entertainment malls as may be necessary or expedient for conducting the aforesaid business of the company.
2. To carry on the business of providing consultancy, advisory, counseling services and solutions in India or elsewhere, by offering services onsite and offsite, for an in relation to conceptualising , incubating, funding, testing and benchmarking, designing, customization, implementation, development, planning, setting up, owning, managing, operating, acquiring, promoting of amusement, entertainment, adventure and theme parks, water parks, entertainment centers and arcades, video parlours, games parlours, sports centers, family recreation centers, entertainment software and tourist and picnic spots, with or without boarding and lodging facilities including restaurants, hotels, café, taverns or bars, fast food outlets, health and fitness centers, clubs, conference rooms, taxi services, recreation services, retail and entertainment malls.
3. To act as vendor, sub-vendor, supplier, importer, exporter and further to sub-contract to third parties activities of designing, consulting, engineering, master planning, procurement, supply of equipments, machines, systems related to amusement parks, entertainment parks, thrill parks, adventure parks, mythological parks, theme parks, spiritual parks.

Apart from its interest in our Company, Thrill Park is currently not involved in any business activities similar to our Company.

Board of directors

The board of directors of Thrill Park comprises:

1. Manmohan Shetty;

2. Kapil Bagla;
3. Aarti Shetty; and
4. Bharat Bakhshi.

For details in relation to shareholding of the directors of Thrill Park in our Company, see the section “Capital Structure” on page 76.

Shareholding pattern

The authorised capital ₹ 55.00 million divided into 5,000,000 equity shares of ₹ 10 each and 50,000 preference shares of ₹ 100 each. The issued, subscribed and paid-up share capital of Thrill Park is ₹ 54.83 million divided into 5,000,000 equity shares of ₹ 10 each and 48,287 preference shares of ₹ 100 each.

The shareholding pattern of Thrill Park is as follows:

Equity shares:

| S. No. | Name of the shareholder | Number of equity shares of ₹ 10 each | Shareholding percentage (%) |
|--------|--|--------------------------------------|-----------------------------|
| 1. | Manmohan Shetty | 4,924,996 | 98.5 |
| 2. | Pooja Deora | 25,000 | 0.5 |
| 3. | Shashikala Shetty | 25,000 | 0.5 |
| 4. | Aarti Shetty | 24,900 | 0.5 |
| 5. | NYLIM Jacob Ballas India Holdings IV | 95 | 0.0 |
| 6. | Jacob Ballas Capital India Private Limited | 5 | 0.0 |
| 7. | Kapil Bagla | 1 | 0.0 |
| 8. | Praveen Nischol | 2 | 0.0 |
| 9. | Mayuresh Kore | 1 | 0.0 |
| | Total | 5,000,000 | 100.0 |

Compulsorily Convertible Preference Shares

| S. No. | Name of the shareholder | Number of preference shares of ₹ 100 each | Shareholding percentage (%) |
|--------|--|---|-----------------------------|
| 1. | NYLIM Jacob Ballas India Holdings IV | 45,873 | 95.0 |
| 2. | Jacob Ballas Capital India Private Limited | 2,414 | 5.0 |
| | Total | 48,287 | 100.0 |

Financial Information

The financial information of Thrill Park derived from the audited financial results of Thrill Park for financial years 2014, 2013 and 2012 are set forth below:

(in ₹ millions , except per share data)

| Particulars | For the Financial Year | | |
|---|------------------------|----------------|----------------|
| | March 31, 2014 | March 31, 2013 | March 31, 2012 |
| Revenue from Operations & Other Income | 3.23 | 2.87 | 0.00 |
| Profit / (Loss) After Tax | (97.82) | 0.14 | (1.51) |
| Equity Capital | 50.00 | 50.00 | 50.00 |
| Reserves and Surplus | 1,457.23 | 1,555.05 | 1,554.91 |
| Basic EPS (₹) | (19.56) | 0.03 | (0.30) |
| Diluted EPS (₹) | (19.56) | 0.03 | (0.30) |
| Net asset value per share (₹) (excluding revaluation reserve) | (0.26) | 19.31 | 19.28 |

Changes in the management and control

There has been no change in the management and control of Thrill Park in the three years preceding the date of this Red Herring Prospectus.

Promoters of Thrill Park:

1. Manmohan Shetty; and
2. Aarti Shetty

Our Company confirms that the permanent account number, bank account number and company registration number of Thrill Park and the address of the registrar of companies where Thrill Park is registered have been submitted to the Stock Exchanges at the time of filing of Draft Red Herring Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by them. For details on shareholding of our Promoters in our Company, see the sections “Capital Structure” and “Our Management” on pages 75 and 148, respectively.

Further, Manmohan Shetty, is the Chairman and Managing Director of our Company and may be deemed to be interested to the extent of any remuneration or reimbursement of expenses payable to him for attending meetings of our Board or a Committee thereof. For further details, see the section “Our Management” on pages 149 to 150.

Except as stated below, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company:

- Our Company has entered into a license agreement dated November 25, 2013 with Manmohan Shetty for use of the trademark “Adlabs” registered in the name of Manmohan Shetty. In terms of the said agreement our Company is required to pay ₹ 100,000 per annum to Manmohan Shetty and the same is paid with effect from January 14, 2010.

Except as disclosed below, our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date the Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

1. Our Company has entered into a leave and license agreement with Manmohan Shetty dated April 30, 2013 for license of the premises situated at 9th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai 400 053 from April 1, 2012 to March 31, 2017. In terms of the said leave and license agreement, our Company is required to pay rent of ₹ 1,925,000 per month with effect from April 1, 2012 and the rent is subject to increase by 10% every year for the remaining term of the agreement.
2. Our Company has entered into a leave and license agreement with Manmohan Shetty dated December 14, 2012 for license of 16 parking slots at Lotus Business Park, New Link Road, Andheri (West), Mumbai 400 053 from April 1, 2012 to March 31, 2017. In terms of the said agreement our Company is required to pay ₹ 96,000 per month and the rent shall be subject to increase by 10% every year for the remaining term of the agreement.

Our Company has, since July, 2014, not been utilising the leased premises and the licensed parking lots as specified in paragraphs above. Accordingly, our Company has made no payments to Manmohan Shetty in terms of the abovementioned agreements post July 1, 2014.

3. Our Company has entered into a consultancy agreement effective April 1, 2012 with Pooja Deora, daughter of Manmohan Shetty, to provide consultancy services on marketing, operations and business development and identifying potential business partners, clients, negotiating contracts on behalf of our

Company and implementation of the F&B strategy at the theme park, hotel and retail areas among others for a period commencing from April 1, 2012 upto July 31, 2015. The consultancy fee payable under this agreement is ₹ 249,500 per month up to July 31, 2014 and ₹ 500,000 per month with effect from August 1, 2014.

4. Our Company has entered into a consultancy agreement dated April 1, 2013 with Aarti Shetty, daughter of Manmohan Shetty, to provide consultancy services on the design and art work in respect of the films exhibited at Imagica – The Theme Park and at the water park, consulting on improving the façade of the rides and attractions at Imagica – The Theme Park and at the water park including advising on the strategy for implementation of changes and providing market analysis and potential business threats for our Company for a period commencing from April 1, 2013 upto July 31, 2015. The consultancy fee payable under this agreement is ₹ 200,000 per month up to July 31, 2014 and ₹ 500,000 per month with effect from August 1, 2014.

For details of related party transactions entered into by our Company during the last financial year, the nature of transactions and the cumulative value of transactions, see the section “Related Party Transactions” on page 168.

Except as disclosed in this Red Herring Prospectus, our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

Our Promoters are not related to any of the sundry debtors of our Company.

Payment of benefits to our Promoters or Promoter Group

Except as stated in the sections “Related Party Transactions”, “Our Management” and “Our Promoters and Promoter Group” on pages 168, 157 and 160 respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of this Red Herring Prospectus.

Confirmations

Our Promoters have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority except as disclosed under the section “Outstanding Litigation and Material Developments” on page 279.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Issue against our Promoters, except as disclosed under the section “Outstanding Litigation and Material Developments” on page 279.

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.

Except as disclosed in this Red Herring Prospectus, our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Thrill Park is neither a sick company within the meaning of SICA nor has any winding up proceedings been initiated against it. It does not have a negative net worth.

No application has been made to RoC for striking off the name of Thrill Park. Additionally, neither Thrill Park nor any of our Group Companies have become defunct in the five years preceding the date of this Red Herring Prospectus.

There have been no sales or purchases between our Company and members of the Promoter Group where such sale or purchase exceed in value in the aggregate 10% of the total sales or purchases of our Company except as disclosed in the section “Related Party Transactions” on page 168.

Common Pursuits

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company. Dream Estates and Thrill Park have objects similar to that of our Company. However, Dream Estates and Thrill Park are currently not involved in any business activities similar to that of our Company.

Companies with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any companies or firms during the preceding three years, except as provided below:

| Sr. No. | Name of the disassociated entity | Promoter's involvement in the disassociated entity | Reasons and circumstances leading to the disassociation and terms of disassociation |
|----------------|---|--|--|
| 1. | Victory Moving Pictures Private Limited | Manmohan Shetty was a director on the board of Victory Moving Pictures Private Limited | Winding up of Victory Moving Pictures Private Limited and its name being struck off from the register of companies by the concerned registrar of companies under the provisions of Section 560 of the Companies Act, 1956 as it was inoperative since its incorporation. |
| 2. | Dream Estates | Thrill Park was a partner of Dream Estates | Thrill Park transferred its interest in the partnership to Manmohan Shetty since it was not advisable for Thrill Park to hold stake in a partnership firm and also since there was no active business in Dream Estates. |

Change in the management and control of our Company

There has been no change in the management and control of our Company.

Guarantees

Except as stated otherwise in the section "History and Certain Corporate Matters" on page 140, our Promoters have not given any guarantee to a third party as of the date of this Red Herring Prospectus.

Promoter Group

In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

1. Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with our Promoters), other than our Promoters, are as follows:

- a. Shashikala Shetty (spouse of Manmohan Shetty)
- b. Pooja Deora (daughter of Manmohan Shetty)
- c. Aarti Shetty (daughter of Manmohan Shetty)

2. Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

- a. Walkwater Media Limited;
- b. M/s Dream Estates;
- c. Blue Haven Entertainment Private Limited;
- d. Swapnajyoti Trading Private Limited;
- e. Alliance Lumiere Limited;
- f. Adlabs Shringar Multiplex Cinemas Private Limited;

- g. P&M Infrastructure Limited;
- h. Ideacount Education Private Limited;
- i. IRock Media Private Limited; and
- j. Olive Bar and Kitchen Private Limited.

OUR GROUP COMPANIES

Our Group Companies are as follows:

1. Adlabs Shringar Multiplex Cinemas Private Limited;
2. Walkwater Media Limited;
3. P & M Infrastructures Limited; and
4. M/s. Dream Estates.

The details of our Group Companies are provided below:

1. Adlabs Shringar Multiplex Cinemas Private Limited

Corporate Information

Adlabs Shringar Multiplex Cinemas Private Limited (“Adlabs Shringar”) was incorporated as a private limited company on September 11, 1984 under the Companies Act, 1956. Adlabs Shringar is currently engaged in the business of renting of multiplex theatre complex, hoardings and office space.

Interest of our Promoters

None of the Promoters of our Company hold equity shares in Adlabs Shringar, however, Manmohan Shetty was one of the initial subscribers to the memorandum of association of Adlabs Shringar.

Financial Information

(in ₹ millions, except per share data)

| Particulars | For the Financial Year | | |
|----------------------------------|------------------------|---------|--------|
| | 2014 | 2013 | 2012 |
| Equity Capital | 48.00 | 48.00 | 48.00 |
| Reserves and surplus | 14.59 | (0.13) | 9.11 |
| Sales and other Income | 43.98 | 13.05 | 41.10 |
| Profit / (Loss) after tax | 27.60 | (9.24) | 18.83 |
| Basic EPS (in ₹) | 57.49 | (19.25) | 39.24 |
| Diluted EPS (in ₹) | 57.49 | (19.25) | 39.24 |
| Net asset value per share (in ₹) | 130.40 | 99.73 | 118.98 |

2. Walkwater Media Limited

Corporate Information

Walkwater Media Limited (“WML”) was initially incorporated as Adlabs Media Private Limited, a private limited company on October 18, 2007 under the Companies Act, 1956 and changed its name to Walkwater Media Private Limited on June 2, 2008. Subsequently, Walkwater Media Private Limited was converted to a public limited company under the name and style Walkwater Media Limited on July 24, 2008 and a fresh certificate of incorporation was issued dated August 5, 2008.

WML is currently engaged in the business of *inter alia* producing, directing and dealing in cinematographic, advertisement and animation films, documentaries, television serials and other entertainment programmes.

Interest of our Promoters

Manmohan Shetty holds 2,499,996 equity shares of WML constituting 50% of the equity share capital of WML.

Financial Information

(in ₹ millions , except per share data)

| Particulars | For the Financial Year | | |
|--|------------------------|----------|----------|
| | 2014 | 2013 | 2012 |
| Equity Capital | 50.00 | 50.00 | 50.00 |
| Reserves and Surplus | (167.65) | (134.33) | (125.36) |
| Revenue from Operations & Other Income | 0.93 | 206.41 | 276.89 |
| Profit / (Loss) after Tax | (33.32) | (8.96) | (18.79) |
| Basic EPS (in ₹) | (6.66) | (1.79) | (3.76) |
| Diluted EPS (in ₹) | (6.66) | (1.79) | (3.76) |
| Net asset value per share (in ₹) | (23.53) | (16.86) | (15.07) |

3. P & M Infrastructures Limited

Corporate Information

P & M Infrastructures Limited (“PMIL”) was incorporated as a private limited company on November 5, 1981 as M. M. Laboratories Private Limited under the Companies Act, 1956 and its name was changed to P & M Infrastructures Private Limited on April 12, 2006. Subsequently, it was converted into public limited company and a fresh certificate of incorporation was issued dated July 24, 2009.

PMIL is currently engaged in the business of, among others, contractors, developers and builders in India or abroad and for that purpose to purchase, take on lease or otherwise acquire and hold lands wherever situated or interest therein or connected therewith and incidental thereto and to carry on the business of real estate development including development of commercial and residential complexes, malls, multiplexes, pile foundation and other development related activities.

Interest of our Promoters

Manmohan Shetty holds 2,395,665 equity shares of PMIL constituting 35.10% of the equity share capital of PMIL.

Financial Information

(In ₹ millions, except per share data)

| Particulars | For the Financial Year | | |
|---|------------------------|--------|--------|
| | 2014 | 2013 | 2012 |
| Equity Capital | 68.25 | 68.25 | 68.25 |
| Reserves (excluding revaluation reserves) and surplus | 142.69 | 140.60 | 122.32 |
| Sales / Turnover (Income, including other income) | 141.47 | 161.32 | 429.74 |
| Profit / (Loss) after tax | 2.09 | 18.29 | 60.08 |
| Basic EPS (in ₹) | 0.31 | 2.68 | 8.80 |
| Diluted EPS (in ₹) | 0.31 | 2.68 | 8.80 |
| Net asset value per share (in ₹) | 30.91 | 30.60 | 27.92 |

4. M/s. Dream Estates

Firm Information

M/s Dream Estates (“Dream Estates”) is a partnership firm formed on September 8, 2009 under the Indian Partnership Act, 1932.

The main object of Dream Estates is to engage in the business of developing commercial and residential real estate, hotels, resorts, retail malls, entertainment centers or developing and running

theme park and amusement park. Dream Estates is currently not involved in development of any such project.

Interest of our Promoters

Our Promoter, Manmohan Shetty is a partners in Dream Estate. The share in the profits or losses of Dream Estates will be apportioned to its partners, which includes our Promoter, in the following ratio:

| Name of Partner | Percentage Share in Profits |
|-----------------|-----------------------------|
| Manmohan Shetty | 99.90 |
| Kapil Bagla | 0.10 |
| Total | 100.00 |

Financial Information

(In ₹ millions, except per share data)

| Particulars | For the Financial Year | | |
|----------------------------------|------------------------|--------|------|
| | 2014 | 2013 | 2012 |
| Partners Capital | 1.00 | 1.00 | 1.00 |
| Reserves & surplus | N.A. | (0.76) | N.A. |
| Sales and other Income | N.A. | N.A. | N.A. |
| Profit / (Loss) after tax | (0.008) | (0.76) | N.A. |
| Basic EPS (in ₹) | N.A. | N.A. | N.A. |
| Diluted EPS (in ₹) | N.A. | N.A. | N.A. |
| Net asset value per share (in ₹) | N.A. | N.A. | N.A. |

A. Group Companies with negative net worth:

1. Walkwater Media Limited

WML, one of our Group Companies had a negative net-worth as per the last disclosed financial statement. For further details, see the section “Our Group Companies – Walkwater Media Limited” on page 164.

B. Loss making Group Companies:

The following tables set forth the details of our Group Companies which have incurred loss in the last financial year and profit/(loss) made by them in the last three financial year:

| Sr. No. | Name of the entity | Profit/(Loss) (Amount in ₹ million) | | |
|---------|---|-------------------------------------|--------|---------|
| | | For the Financial Year | | |
| | | 2014 | 2013 | 2012 |
| 1. | Adlabs Shringar Multiplex Cinemas Private Limited | 27.60 | (9.24) | 18.83 |
| 2. | Walkwater Media Limited | (33.32) | (8.96) | (18.79) |
| 3. | Dream Estates | (0.008) | (0.76) | N.A. |

Nature and Extent of Interest of Group Companies

a. In the promotion of our Company

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company.

b. In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with SEBI

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus.

c. *In transactions for acquisition of land, construction of building and supply of machinery*

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits among the Group Companies and Associate Companies with our Company

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict of interest as and when it may arise. Dream Estates, our Group Company has objects similar to that of our Company. However, Dream Estates is not currently involved in any business activities similar to that of our Company. Except as stated above, there are no common pursuits among any of our Group Companies and our Company.

Our Company does not have any associate companies.

Related Business Transactions within the Group Companies and significance on the financial performance of our Company

Except as stated in this Red Herring Prospectus and other than the related party transactions during the six months period ended September 30, 2014, for each of the years ended March 31, 2014, 2013, 2012, 2011, and for the period ended March 31, 2010 as disclosed in the section “Related Party Transactions” on page 168, there are no other related business transactions within the Group Companies.

Sale/Purchase between Group Companies

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 10% of the total sales or purchases of our Company.

Other confirmations

None of our Group Companies has remained 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 the Red Herring Prospectus with SEBI except for Victory Moving Pictures Private Limited. Victory Moving Pictures Private Limited’s name was struck off from the register of companies by the concerned registrar of companies under the provisions of Section 560 of the Companies Act, 1956 with effect from May 8, 2012 as it was inoperative since its incorporation. There is no pending litigation by or against Victory Moving Pictures Private Limited.

None of our Group Companies fall under the definition of sick companies under SICA.

None of our Group Companies are under winding up.

None of the securities of our Group Companies are listed on any stock exchange and none of our Group Companies have made any public or rights issue of securities in the preceding three years.

RELATED PARTY TRANSACTIONS

For details of the related party disclosures, as per the requirements under Accounting Standard 18 '*Related Party Disclosures*' issued by the Institute of Chartered Accountants in India and as reported in the restated financial statements, see the sections "Consolidated Financial Statements" and "Standalone Financial Statements" on pages 170 and 208, respectively.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, 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 the section “Financial Indebtedness” on page 256.

We have not declared any dividends in any of the Financial Years preceding the filing of this Red Herring Prospectus.

SECTION V: FINANCIAL INFORMATION
CONSOLIDATED FINANCIAL STATEMENTS
AUDITORS REPORT

Auditors' report as required by Clause 1(b) of Section 26 of the Companies Act, 2013

The Board of Directors
Adlabs Entertainment Limited
30/31, Sangdewadi,
Khopoli-Pali Road,
Taluka - Khalapur,
Dist: Raigad, Pin – 410 203

Dear Sirs,

1. We have examined the attached restated consolidated financial information of Adlabs Entertainment Limited (the “**Company**”) and its Subsidiary Walkwater Properties Pvt Ltd (the “**Subsidiary**”) (acquired by Company on September 11, 2014) (together referred to as the “**Group**”) as at September 30, 2014 and for the six months period ended September 30, 2014, for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (“**IPO**”). Such financial information has been approved by the Board of Directors and prepared by the Company in accordance with the requirements of:
 - (a) clause 1(b) of Section 26 of the Companies Act, 2013 (the “**Act**”); and
 - (b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**Regulations**”) issued by the Securities and Exchange Board of India (“**SEBI**”) on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
2. We have examined such restated consolidated financial information taking into consideration:
 - (a) the terms of our engagement agreed with you vide our engagement letter dated 7th January, 2014, 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 Accountant of India.

Financial information as per audited financial consolidated statements:

3. The restated consolidated financial information has been compiled by the management from:
 - (a) the audited interim financial consolidated statements of the Group as at and for the six months period ended September 30, 2014, which have been approved by the Board of Directors and audited by us; we did not audit the Financial statements of the Subsidiary for the period ended April 1, 2014 to September 30, 2014.
4. In accordance with the requirements of clause 1(b) of Section 26 of the Act, the Regulations and terms of our engagement agreed with you, we report that:

Read with paragraph 4 above, we have examined the restated consolidated statements of assets and liabilities of the Group as at September 30, 2014 and the related restated consolidated statements of profits and losses and cash flows of the Group for six months period ended September 30, 2014 (collectively, the “**Restated Consolidated Financial statements**”) and as set out in Annexure I to III.
5. Based on our examination, we further report that:
 - (a) There are no extraordinary items which need to be disclosed separately in the restated consolidated financial statements;

- (b) There are no qualifications in the auditors' reports on the restated consolidated financial statements of the Group as at and for six months period ended September 30, 2014 which require any adjustments to the Restated Consolidated Financial statements; and
 - (c) In our opinion, the financial information as disclosed in the Annexure to this report, read with the respective significant accounting policies and notes disclosed in Annexure IV(C), and after making adjustments and re-groupings as considered appropriate and disclosed in Annexure IV (A) and IV (B), have been prepared in accordance with the requirements of clause 1(b) of Section 26 of the Act and the Regulations.
 - (d) The Company has acquired Subsidiary on September 11, 2014, therefore the consolidated figures are presented only for the period ended September 30, 2014.
6. We have not audited any financial consolidated statements of the Group as of any date or for any period subsequent to September 30, 2014. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to September 30, 2014.

Other Financial Information:

7. At the Company's request, we have also examined the following consolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group as at and for the six months period ended September 30, 2014:
- (i) Restated Consolidated statements of Reserves and Surplus and Significant changes in share capital, enclosed as Annexure V A and V B;
 - (ii) Restated Consolidated statements of Trade Receivables, enclosed as Annexure VI
 - (iii) Restated Consolidated statements of Long-term Loans and Advances and Other Non-Current Assets, enclosed as Annexure VII
 - (iv) Restated Consolidated statements of Short-term Loans and Advances and Other Current Assets, enclosed as Annexure VIII
 - (v) Restated Consolidated statement of Tangible and Intangible assets enclosed as Annexure IX
 - (vi) Restated Consolidated statements of Long-term borrowings and Short Term Borrowings enclosed as Annexure X
 - (vii) Restated Consolidated statements of Other Long-term Provisions, enclosed as Annexure XI
 - (viii) Restated Consolidated statements of Trade Payables, Other Current Liabilities and Short-term Provisions, enclosed as Annexure XII
 - (ix) Restated Consolidated statements of Revenue from operation, Other Income and Operating and Other expenses, enclosed as Annexure XIII A, XIII B and XIII C respectively.
 - (x) Restated Consolidated statements of Contingent Liabilities, enclosed as Annexure XIV
 - (xi) Restated Consolidated statements of Dividend enclosed as Annexure XV
 - (xii) Restated Consolidated statements of Accounting Ratios, enclosed as Annexure XVI
 - (xiii) Capitalisation Consolidated statements, as appearing in Annexure XVII
 - (xiv) Restated Consolidated statements of Related Party Transactions and Outstanding balances, enclosed as Annexure XVIII A and XVIII B respectively.
8. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as an opinion on any of the financial consolidated statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. We report that, for 14,39,999 Compulsorily Convertible Debentures(CCDs) of Rs.1000 each issued to India Advantage Fund- S3 I on September 11, 2013, the Company has converted the same into 10,434,775 equity shares of face value Rs 10/- each vide the Board Meeting dated January 30, 2015.
11. We report that, on October 10, 2014, the Company allotted (i) 95 equity shares of face value Rs 10/- each and 474,978 CCDs of face value ₹ 1,000 each to NYLIM Jacob Ballas India Holdings IV; and (ii) 5 equity shares of face value Rs 10/- each and 24,999 CCDs of face value ₹ 1,000 each to Jacob Ballas Capital India Private Limited. Pursuant to the Board Meeting held on January 30, 2015, the 474,978 CCDs issued to NYLIM Jacob Ballas India Holdings IV were converted into 2,539,989 equity shares of face value Rs 10/- each and the 24,999 CCDs issued to Jacob Ballas Capital India Private Limited were converted into 133,684 equity shares of face value Rs 10/- each.
12. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE I

RESTATED CONSOLIDATED FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

| | | <i>Rs. in million</i> |
|----------|--|----------------------------|
| | Particulars | As at Sept 30, 2014 |
| A | Non-current assets | |
| | Fixed assets | |
| | Tangible assets | 12,626.00 |
| | Intangible assets | 85.64 |
| | Capital work-in-progress | 1,961.68 |
| | Deferred tax assets (net) | 470.42 |
| | Long-term loans and advances | 101.57 |
| | | 15,245.31 |
| B | Current assets | |
| | Inventories | 93.34 |
| | Trade receivables | 71.99 |
| | Cash and bank balances | 199.58 |
| | Short-term loans and advances | 11.82 |
| | Other current assets | 341.44 |
| | | 718.17 |
| C | Total assets (C= A + B) | 15,963.48 |
| D | Non-current liabilities | |
| | Long-term borrowings | 12,044.09 |
| | Long-term provisions | 20.60 |
| | | 12,064.69 |
| E | Current liabilities | |
| | Short-term borrowings | 570.1 |
| | Trade payables | 180.14 |
| | Other current liabilities | 545.16 |
| | Short-term provisions | 3.23 |
| | | 1,298.63 |
| F | Total liabilities (F= D + E) | 13,363.32 |
| G | Share issue expenses (to the extent not written off or adjusted) | - |
| H | Share Application money | - |
| | Net Worth (C - F - G - H) | 2,600.16 |
| I | Net worth represented by shareholders' funds | |
| | Share capital | |
| | Equity share capital | 484.63 |
| | Total Share capital | 484.63 |
| J | Reserves and surplus | |
| | Securities premium account | 3,199.97 |
| | Net surplus/(deficit) in the statement of profit and loss | (1084.44) |
| | Total Reserves and surplus | 2,115.53 |
| K | Share issue expenses (to the extent not written off or adjusted) | - |
| | Net Worth (I + J - K) | 2,600.16 |

NOTES:

1. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
2. The above statement should be read with the para 10 of Auditors Report

As per our report of even date

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE II

RESTATED CONSOLIDATED FINANCIAL STATEMENT OF PROFITS AND LOSSES

| <i>Rs. in million</i> | |
|---|---|
| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
| Income from continuing operations | |
| Revenue from operations | |
| Income from Sale of Product | 712.48 |
| Income from Sale of Service | 9.20 |
| Other income | 11.57 |
| Total revenue | 733.25 |
| Expenses | |
| Cost of Material consumed | 38.74 |
| Purchase of Trading goods -Merchandise | 34.87 |
| Increase/(Decrease) in Inventories | (16.64) |
| Personnel expense | 204.91 |
| Other operating expenses | 425.73 |
| Total expenses | 687.61 |
| Restated Profit/(Loss) before depreciation, Interest, tax and exceptional items from continuing operations | 45.64 |
| Depreciation and Amortisation expense | 367.78 |
| Interest & Finance cost | 540.10 |
| Restated profit before tax and exceptional items from continuing operations | (862.24) |
| Tax expense/(income) | |
| Current tax | - |
| Deferred tax | 326.95 |
| Total tax expense | 326.95 |
| Restated profit for the period/year | (535.29) |

| Name of the entity in the | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | |
|--|---|----------------------------|---|----------------------------|
| | As % of consolidated net assets | Amount (Rs. in million) | As % of consolidated profit or (loss) | Amount (Rs. in million) |
| 1 | 2 | 3 | 4 | 5 |
| Subsidiary Company Indian 1.WalkWater Properties Pvt Ltd | (0.14%) | (3.53) | 0.02% | (0.10) |

NOTES:

- The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

As per our report of even date

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE III

RESTATED CONSOLIDATED FINANCIAL STATEMENT OF CASH FLOWS

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
|--|---|
| A. CASH FLOW FROM OPERATING ACTIVITIES | |
| Profit before taxation from continuing operations (as restated) | (862.24) |
| Profit before taxation (as restated) | (862.24) |
| Non cash adjustments to reconcile profit before tax to net cash flows | |
| Depreciation and amortisation expense | 367.78 |
| Interest income | (2.90) |
| Interest Expense | 540.10 |
| Operating profit before working capital changes (as restated) | 42.74 |
| Movements in Working Capital | |
| (Increase)/decrease in Inventories | (43.85) |
| (Increase)/decrease in trade receivables | (65.66) |
| (Increase)/decrease in Other Current Assets | 63.66 |
| Increase/(decrease) in Trade Payable | 33.31 |
| Increase/(decrease) in Other Current Liabilities | 218.49 |
| Increase/(decrease) in Short Term Provision | 2.67 |
| Increase/(decrease) in Long Term Provision | 5.16 |
| Cash flow from operations | 256.52 |
| Direct taxes paid (net of refunds) | (2.58) |
| Net cash generated from operating activities (A) | 253.94 |
| B. CASH FLOW USED IN INVESTING ACTIVITIES | |
| Purchase of fixed assets, including intangible assets, capital work in progress and capital advances | (1083.40) |
| Purchase of Non Current Investment | (0.10) |
| Interest | 2.90 |
| Net cash used in investing activities (B) | (1,080.60) |
| C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES | |
| Proceed from Long term borrowings taken | 1,160.25 |
| Proceed from Short term borrowings taken | 50.10 |
| Interest expense and Borrowing cost paid | (540.10) |
| Net cash generated from/(used in) financing activities (C) | 670.25 |
| Net increase/(decrease) in cash and cash equivalents (A +B+C) | (156.41) |
| Cash and cash equivalents at the beginning of the period/year | 355.99 |
| Total Cash and cash equivalents at the end of the period/year | 199.58 |

| Components of Cash and Cash Equivalents | For the period Apr 1, 2014 to Sep 30, 2014 |
|---|--|
| Cash on hand | 27.36 |
| Balance with scheduled banks: | |
| Current account | 111.66 |
| FD with Bank | 47.15 |
| Liquid fund Investment | 13.41 |
| Total | 199.58 |

NOTES:

- Figures in brackets indicate cash outflow
- The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
- *Amount less than Rs 0.01 million

As per our report of even date

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

ANNEXURE IVA: NOTES ON MATERIAL ADJUSTMENTS

The summary of results of restatement made in the audited consolidated financial statements for the respective years and its impact on the profit/ (loss) of the Group is as follows

| <i>Rs. in million</i> | |
|--|---|
| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
| (A) Net Profit/(Loss) as per audited financial statements | (536.24) |
| Adjustments due to changes in accounting policies | |
| Income recognition Income recognition (Refer Note 1 of Annexure IVB) | 0.95 |
| (B) Total Adjustments | 0.95 |
| Restated Profit/(Loss) (A + B) | (535.29) |

NOTES:

The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE IVB

1. Changes in Accounting Policies

Change in Revenue recognition policy for Open Pass, Gift Passes and Open Day Tickets

During the period ended September 30, 2014 the Company has changed its accounting policy for recognizing revenue from sale of Open Pass/Gift Passes or Open Day Tickets – with all days validity which are Non-Refundable in nature. During the year ended March 31, 2014 revenue from sale of such Passes/Tickets was recognized when they were sold/ booked. The Company now recognizes the revenue when Passes/ Ticket are utilized or expired. Management believes that such change will result into more appropriate presentation of financial statements.

2. Material regroupings

Appropriate adjustments have been made in the restated consolidated financial statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Group for the six months period ended September 30, 2014, prepared in accordance with Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

For A.T.Jain & Co.

Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE IVC

Notes to the restated consolidated financial statements of assets and liabilities, profits and losses and cash flows of the Group for the six month period ended September 30, 2014.

1. Background

The Company is engaged in the business of development and operations of integrated theme based entertainment destinations in India, including theme parks, water parks and associated activities including retail and food and beverage outlets. The flagship project of the company is located at Khalapur, Off Mumbai Pune Expressway and is titled 'Imagica – The Theme Park' for the theme park component.

The Subsidiary is engaged in the business of real estate and letting of properties.

2. Basis of preparation

- a. The consolidated financial statement have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable. The Consolidated Financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements except for the rate and method of charging of Depreciation (Refer Note 3.2).

The Consolidated Financial Statements have been prepared on the following basis:

In respect of the Subsidiary company, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like item of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and unrealised profits/losses on intra-group transactions as per Accounting Standard 21 - "Consolidated Financial Statements".

The excess of cost to the Company of its investment in the Subsidiary Company over the Company's share of net assets of the Subsidiary Company is recognised in the financial statements as goodwill, which is tested for impairment at each balance sheet date. The excess of Company's share of net assets of the Subsidiary Company over the cost of acquisition is treated as capital reserve.

The results of operations of a Subsidiary are included in the Consolidated Financial Statements from the date on which the parent-Subsidiary relationship comes into existence.

The Notes and Significant Accounting Policies to the Consolidated Financial Statements are intended to serve as a guide for better understanding of the Group's position. In this respect, the Group has disclosed such notes and policies, which represent the requisite disclosure.

- b. The restated consolidated financial statement of assets and liabilities of the Group as at September 30, 2014, and the related restated financial statement of profits and losses and cash flows for the six months period ended September 30, 2014 (herein collectively referred to as "**Restated Consolidated financial statements**") have been compiled by the management from the Interim financial statements of the Group for the six months period ended September 30, 2014.

The interim financial statements have been prepared in accordance with Accounting Standard 25 ("**AS 25**") on Interim Financial Reporting to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements and interim financial statements have been prepared under the historical cost convention on an accrual basis.

These restated consolidated financial statements have been prepared to comply in all material respects with the requirements of clause 1(b) of Section 26 of the Companies Act, 2013 (the “Act”) and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “Regulations”).

The accounting policies have been consistently applied by the Group and are consistent with those used in the previous years except for changes in accounting policy explained in note 1 of Annexure IV B and note 3.2.

3. Statement of Significant Accounting Policies

3.1 Use of estimates

The presentation of the financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3.2 Fixed Assets and Depreciation.

Fixed assets are valued at cost less accumulated depreciation. All cost comprises of purchase price, duties levies attributable to the fixed assets have been capitalized. Costs also include interest and financing costs, test and trial run costs till the commencement of commercial operations of theme park project, net charges on foreign exchange contracts and adjustments arising from exchange rate variations including mark to market provisions attributable to such fixed assets are also capitalized.

Depreciation is charged on Straight Line Method by the Company in Accordance with the rate and in the manner specified in Schedule II of the Companies Act, 2013 or on the basis of useful lives of the assets as estimated by management, whichever is lower. Useful life of the assets is tabulated below.

| Sr. No. | Nature of Asset | Rate of Depreciation | Estimated Useful Life |
|---------|--|----------------------|-----------------------|
| 1. | Building | 3.33% | 30 Years |
| 2. | Roads | 20% | 5 Years |
| 3. | Plant and Machinery | 6.67% | 15 Years |
| 4. | Furniture and fittings | | |
| (a) | General furniture and fittings | 10% | 10 Years |
| (b) | Furniture and fittings used in hotels and restaurants | 12.5% | 8 Years |
| 5. | Motor Vehicles | | |
| (a) | Motor cycles | 12.5% | 8 Years |
| (b) | Motor buses and motor cars | 12.5% | 8 Years |
| (c) | Electrically operated vehicles including battery powered or fuel cell powered vehicles | 12.5% | 8 Years |
| 6. | Office equipments | 20% | 5 Years |
| 7. | Computers and data processing units | | |
| (a) | Servers and networks | 16.67% | 6 Years |
| (b) | End user devices, such as desktops, laptops, etc. | 33.33% | 3 Years |
| 8. | Electrical Installations and Fittings | 10% | 10 Years |
| 9. | Hydraulic woks, pipelines and sluices | 6.67% | 15 Years |

| Sr. No. | Nature of Asset | Rate of Depreciation | Estimated Useful Life |
|---------|-----------------|----------------------|-----------------------|
| 10. | Trees & Nursery | 33.33% to 3.33 % | 3 Years to 30 Years |

Depreciation is charged by the Subsidiary on the following basis:

On assets purchase on or after April, 1 2014

Depreciation is charged by using Written down Value Method at the rate and in the manner specified in Schedule II of the Companies Act, 2013, or on the basis of useful lives of the assets as estimated by management, whichever is lower. Useful life for the assets is tabulated below.

| Sr. No. | Nature of Asset | Rate of Depreciation | Estimated Useful Life |
|---------|---|----------------------|-----------------------|
| 1. | Furniture and fittings | | |
| (a) | General furniture and fittings | 25.89% | 10 Years |
| (b) | Furniture and fittings used in hotels and restaurants | 31.23% | 8 Years |
| | | | |
| 2. | Office equipments | 45.07% | 5 Years |
| | | | |

On assets purchase before April, 1 2014

Pursuant to requirement of Schedule II of the Companies Act, 2013, the Subsidiary has depreciated carrying amount of assets as on March 31, 2014 over the remaining useful life of the asset as stated in Schedule II of Companies Act, 2013.

3.3 Inventories

Inventories are valued at lower of cost and net realizable value. Cost is arrived in the following manner:

| | | |
|-------------|---|------------------------|
| Food items | : | Weighted Average Basis |
| Merchandise | : | At Cost |

3.4 Intangible Assets

- (i) Intangible Assets are stated at Cost of Acquisition, net of recoverable taxes less accumulated amortizations/deletions.
- (ii) Depreciation is charged, based on the useful lives of the assets as estimated by the management.

| Sr. No. | Nature of asset | Estimated Useful Life |
|---------|----------------------|-----------------------|
| 1. | Trademarks and Logos | 10 Years |
| 2. | Software | 6 Years |

3.5 Provisions, Contingent Liabilities and Contingent assets

A provision is recognized when the Group has a present obligation as a result of a past event, and it is a probability that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economics benefits is remote. A contingent asset is neither recognized nor disclosed.

3.6 Foreign Currency Transactions:

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year-end or period end in respect of monetary assets and

monetary liabilities not covered by the forward contracts are transferred to Profit & Loss Account except for Long Term Foreign Currency Monetary Items.

The Group as per provisions under para 46A of Accounting Standard 11 notification, has added/deducted from the Cost of Assets the Exchange Fluctuation including mark to market provisions arising on reporting of Long Term Foreign Currency Monetary Item utilized for acquiring the said Fixed Assets.

Such Exchange fluctuation capitalized will be amortized over the balance useful life of the Fixed Assets.

Exchange Fluctuation added/ (deducted) to the cost of asset.

| <i>Rs. in million</i> | |
|-----------------------|---------------------|
| Particulars | As at Sept 30, 2014 |
| Exchange Fluctuation | (15.57) |

3.7 Borrowing Cost: (Interest and Finance Charges)

Borrowing costs that are attributable to acquisition and construction of qualifying assets are capitalized till the asset is put to use. All other borrowing costs are recognized as expenditure in the period in which they are incurred.

Borrowing costs that are attributable to acquisition and construction of qualifying assets are capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Borrowing Cost Capitalized

| <i>Rs. in million</i> | |
|-----------------------|--|
| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
| Borrowing Cost | 67.05 |

Average Cost of Capitalization

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
|------------------------------------|--|
| Borrowing Cost Capitalisation Rate | 9.86% |

3.8 Impairment of Asset

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.9 Employee Benefit

The Group has provided for leave encashment and gratuity as per actuarial valuation done on projected unit credit method. Both the liabilities are non funded.

3.10 Income Tax

Current Tax

Provision for current Income Tax is made on the estimated taxable income using the applicable tax rates and tax laws.

Deferred Tax

Deferred Tax arising on the timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax asset is not recognized unless there is a virtual certainty as regards to the reversal of the same in future years.

3.11 Investments

Long term investments are stated at cost less other than temporary diminution in value, if any. Current investments are stated at lower of cost and fair value. Fair value of investments in mutual funds is determined on a per portfolio basis.

3.12 Revenue recognition

The Group has revenue recognition policies for its various operating segments that are appropriate to the nature of each business.

Tickets

Revenues from theme park/water park ticket sales are recognized when the tickets are issued.

Revenue from sale of Open Pass/Gift Passes or Open Day Tickets – with all days validity which are Non-Refundable in nature are recognized when Passes are utilized or expired.

Food/Beverages

Revenue is recognized when food/ drinks are supplied or served or services rendered. Sales are inclusive of VAT.

Merchandise

Retail sale are recognized on delivery of the merchandise to the customer, when the property in goods and significant risk and rewards are transferred for a price and no effective ownership control is retained.

Others

The revenue is recognized on accrual basis and when significant risk and rewards are transferred.

3.13 Measurement of Profit/(Loss) Before Interest, Tax, Depreciation and Amortization

As permitted by the Guidance Note, the Group has elected to present Profit/(Loss) before depreciation, Interest, tax and exceptional items from continuing operations as a separate line item on the face of the statement of profit and loss. The Group measures Profit/(Loss) before depreciation, Interest, tax and exceptional items from continuing operations on the basis of profit / (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization, finance costs, tax expense and where applicable, prior period items.

3.14 Segment reporting policies

| Rs. in million | | | | | | | |
|---|-------------------------------|---------------|-------------|-------------|---------------------|------------------|----------|
| Particular | For the period/ year ended | Theme Park | Restaurants | Merchandise | Other Operations | Un- allocable | Total |
| Segment Revenue | Sep-14 | 553.82 | 119.80 | 38.86 | 9.20 | 8.67 | 730.35 |
| | March-14 | 712.88 | 240.21 | 63.82 | 20.16 | 27.85 | 1064.92 |
| Segment Result before Interest and Taxes | Sep-14 | (321.41) | 22.70 | (0.69) | (13.11) | (12.53) | (325.04) |
| | March-14 | (261.84) | 59.98 | 2.65 | (4.81) | (35.78) | (239.80) |
| Less : Interest expense | Sep-14 | - | - | - | - | (540.10) | (540.10) |
| | March-14 | - | - | - | - | (425.33) | (425.33) |
| Add : Interest and dividend income | Sep-14 | - | - | - | - | 2.90 | 2.90 |
| | March-14 | - | - | - | - | 4.26 | 4.26 |
| Profit before tax | Sep-14 | (321.41) | 22.70 | (0.69) | (13.11) | (549.73) | (862.24) |
| | March-14 | (261.84) | 59.98 | 2.65 | (4.81) | (456.85) | (660.87) |

| Particular | For the period/ year ended | Theme Park | Restaurants | Merchandise | Other Operations | Un- allocable | Total |
|--|-------------------------------|-----------------|---------------|---------------|---------------------|------------------|------------------|
| Deferred tax | Sep-14 | - | - | - | - | 326.95 | 326.95 |
| | March-14 | - | - | - | - | 136.05 | 136.05 |
| Profit after tax | Sep-14 | (321.41) | 22.70 | (0.69) | (13.11) | (222.78) | (535.29) |
| | March-14 | (261.84) | 59.98 | 2.65 | (4.81) | (324.50) | (524.82) |
| Other Information | | | | | | | |
| Segment assets | Sep-14 | 9,938.68 | 361.26 | 222.30 | 2.12 | 5,439.12 | 15,963.48 |
| | March-14 | 9,975.52 | 341.52 | 183.95 | 1.63 | 4,499.75 | 15,002.36 |
| Segment liabilities | Sep-14 | 1,476.43 | 22.46 | 7.80 | 69.52 | 11,787.11 | 13,363.32 |
| | March-14 | 1,562.35 | 16.51 | 6.61 | 4.63 | 10,275.86 | 11,865.97 |
| Capital expenditure during the period/year | Sep-14 | 88.91 | 17.67 | 11.89 | - | - | 118.47 |
| | March-14 | 10,211.95 | 355.72 | 187.75 | - | - | 10,755.43 |
| Depreciation and amortisation | Sep-14 | 349.64 | 14.23 | 3.82 | - | 1.60 | 369.29 |
| | March-14 | 290.32 | 11.72 | 3.14 | - | - | 305.18 |

NOTES:

1. The Company has commenced its operation during year ended March 31, 2014,

3.15 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

4. Capital Commitments

Estimated amounts of contracts to be executed on capital account and not provided for in the accounts of the Group, net of advances, is Rs 418.43 millions as at September 2014.

5. Operating lease

| Particulars | As at Sept 30, 2014 |
|---|---------------------|
| Lease payments for the period/year | 11.56 |
| Payments: | |
| Not later than one year | 40.35 |
| Later than one year but not later than five years | 58.21 |
| Later than five years | 0.17 |
| | 110.29 |

6. Deferred tax assets/ (liabilities)

Components of Deferred tax assets/ (liabilities) are as follows

| Timing difference on account of | As at Sept 30, 2014 |
|--|---------------------|
| Deferred tax assets | |
| Business Loss | 763.73 |
| Other Items | 1.01 |
| Expenditure on payment basis | 7.37 |
| Gross deferred tax assets (A) | 772.11 |
| Deferred tax liability | |
| Difference between net block as per Income tax and Companies Act | (301.69) |
| Gross deferred tax liabilities (B) | (301.69) |
| Net deferred tax assets/ (liabilities) (A+B) | 470.42 |

7. Earnings per share ('EPS')

The calculations of earnings per share are based on the net profit and number of shares as computed below:

Rs. in million other than number of shares and EPS value

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
|--|--|
| Net profit as per statement of profit and loss as restated | (535.29) |
| Weighted number of equity shares for calculating basic EPS | 48,463,035 |
| Basic EPS | (11.05) |
| Weighted number of equity shares for calculating diluted EPS | 58,897,810 |
| Diluted EPS | (11.05) |

NOTE:

- The above statement should be read with the para 10 of Auditors Report.
- The Potential Equity shares has anti-dilutive effect, therefore the Diluted Earnings Per Share is same as Basic Earnings Per Share

8. Expenditure in foreign currency (accrual basis)

| <i>Rs. in million</i> | |
|-----------------------|--|
| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
| Ride & Attraction | 12.74 |
| Software | 2.53 |
| Professional Fees | 13.83 |
| Interest | 7.37 |
| Total | 36.47 |

9. Value of imports calculated on CIF basis

| <i>Rs. in million</i> | |
|----------------------------|--|
| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
| Components and spare parts | 14.61 |
| Capital goods | 112.84 |
| Total | 127.45 |

10. Un-hedged foreign Currency Exposure

| <i>Rs. in million</i> | |
|---|--|
| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
| Buyers Credit facility availed (including interest) | 1,389.15 |
| Total | 1,389.15 |

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE V A

RESTATED CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS

| <i>Rs. in million</i> | |
|--|---------------------|
| Particulars | As at Sept 30, 2014 |
| A. Securities premium account | |
| Balance as per last financial statements | 3199.97 |
| Closing balance | 3199.97 |
| B. Surplus/(deficit) i.e. the balance in statement of profit and loss as restated | |
| Balance as per last financial statements as restated | (549.15) |
| Add: Restated profit/(loss) for the period/year | (535.29) |
| Net surplus/(deficit) in the statement of profit and loss as restated | (1,084.44) |
| Total (A + B) | 2115.53 |

NOTES:

1. The figures disclosed above are based on the restated consolidated financial statement of assets and liabilities of the Group.
2. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. The above statement should be read with the para 10 of Auditors Report.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE V B

STATEMENT OF SIGNIFICANT CHANGES IN SHARE CAPITAL

| <i>In number of shares</i> | |
|--|---------------------------------------|
| Particulars | For period ended Sept 30, 2014 |
| | |
| Authorised Equity Share Capital | 200,000,000 |
| | |
| Shares Outstanding at the beginning of the period/year | 48,463,035 |
| | |
| Number of Equity shares Issued during the period/year | - |
| | |
| Shares outstanding at the end of the period/ year | 48,463,035 |

Note:

1. The above statement should be read with the para 10 of Auditors Report.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE VI

RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES (UNSECURED, CONSIDERED GOODS)

| Particulars | As at Sept 30, 2014 |
|--|---------------------|
| Outstanding for a period exceeding six months from the date they are due for payment | - |
| Other trade receivables (less than six months) | 71.99 |
| Total | 71.99 |

NOTE:

1. The figures disclosed above are based on the restated consolidated financial statement of assets and liabilities of the Group.
2. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. There are no outstanding balance receivables from directors/ promoters/ associate companies/ relatives of promoter.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE VII

RESTATED CONSOLIDATED STATEMENT OF LONG-TERM LOANS AND ADVANCES AND OTHER NON-CURRENT ASSETS

| <i>Rs. in million</i> | |
|--|---------------------|
| Particulars | As at Sept 30, 2014 |
| A. Long-Term Loans and Advances | |
| Unsecured, consider goods | |
| Capital Advance for Land at Khalapur | 66.76 |
| Security Deposits | 30.70 |
| | |
| Other: | |
| Advance income tax (net) | 2.58 |
| Deposits with government authorities | 1.53 |
| | |
| Total | 101.57 |
| | |

NOTES:

1. The figures disclosed above are based on the restated consolidated financial statement of assets and liabilities of the Group.
2. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. There are no outstanding balance receivables from directors/ promoters/ associate companies/ relatives of promoter.

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE VIII

RESTATED CONSOLIDATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES AND OTHER CURRENT ASSET

| <i>Rs. in million</i> | |
|---|---------------------|
| Particulars | As at Sept 30, 2014 |
| A. Short-Term Loans and Advances | |
| Advance to Related part | 11.53 |
| Mat Credit Entitlement | 0.29 |
| | |
| Total | 11.82 |
| | |
| B. Other Current Assets | |
| Share application money | 125.00 |
| Custom duty refund receivable | 0.37 |
| Deposits-vendors secured | 20.36 |
| Stamp duty refund receivable | 0.95 |
| Advances to suppliers | 128.95 |
| Prepaid expenses & insurance | 12.58 |
| Other receivables | 8.23 |
| Other Advances | 45.00 |
| | |
| Total | 341.44 |

NOTES:

1. The figures disclosed above are based on the restated consolidated financial statement of assets and liabilities of the Group.
2. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE IX

RESTATED CONSOLIDATED STATEMENT OF TANGIBLE ASSETS AND INTANGIBLE ASSETS

| <i>Rs. in million</i> | |
|---------------------------|---------------------|
| Particulars | As at Sept 30, 2014 |
| Tangible Assets | |
| Land | 2,442.75 |
| Computer | 93.24 |
| Electrical Installation | 694.63 |
| Furniture & Fixtures | 612.85 |
| Office Equipments | 181.31 |
| Plant & Machinery | 5,362.94 |
| Building | 3,135.85 |
| Building Road | 29.27 |
| Pipes and Fitting | 27.82 |
| Vehicles | 23.07 |
| Nursery | 22.27 |
| | |
| Total | 12,626.00 |
| | |
| Intangible Assets | |
| Software | 66.62 |
| Trade Mark | 6.04 |
| Goodwill on Consolidation | 12.98 |
| | |
| Total | 85.64 |
| | |
| Grand Total | 12,711.64 |

NOTES:

- The figures disclosed above are based on the restated consolidated financial statement of assets and liabilities of the Group.
- The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE X

RESTATED CONSOLIDATED STATEMENT OF LONG-TERM BORROWINGS AND SHORT-TERM BORROWINGS

| <i>Rs. in million</i> | |
|--|---------------------------|
| Particulars | As at Sept 30, 2014 |
| Long Term Borrowings | |
| Term Loan (Secured) | |
| From Banks | 8,512.48 |
| From Financial Institutions | 914.00 |
| Buyers Credit from Banks | 1,385.87 |
| Less: Disclose under current liabilities | (208.36) |
| Total | 10,603.99 |
| Other Loans (Unsecured) | |
| Loans & Advances from related Party | 0.10 |
| Debentures (Unsecured) | |
| - 14,39,999 0% Unsecured Compulsory Convertible Debentures of Rs. 1,000/- each | 1,440.00 |
| Total | 12,044.09 |
| Short Term Borrowings | |
| Unsecured | |
| Loans & Advances from related Party | 520.00 |
| Loan from Others | 50.10 |
| Total | 570.10 |
| Rate of Interest (%) | |
| From Banks | BR* + 2.60 to 3.00 |
| From Financial Institution | BR* + 2.85 |
| Buyers Credit | 0.48 to 3.25 |

*BR=Base Rate

NOTE:

- The company has mortgaged 298 acres of land with IDBI Trusteeship Services Ltd. as security for the sanctioned term loan from financial consortium with Union Bank of India as the lead banker with pari passu charge along with a charge on Fixed Assets.
- Buyer credit will be converted to Term loan when due for payment and will be repaid as per the repayment schedule of Term loan as stated herein.

| Financial Year | Repayment Amount (Rs. in million) |
|----------------|-----------------------------------|
| 2015-2016 | 416.65 |
| 2016-2017 | 471.32 |
| 2017-2018 | 942.65 |
| 2018-2019 | 942.65 |
| 2019-2020 | 997.32 |
| 2020-2021 | 1413.97 |
| 2021-2022 | 1413.97 |
| 2022-2023 | 1413.97 |
| 2023-2024 | 1413.97 |

3. Short Term/Long Term Borrowings taken from Related Parties is interest free
4. Short Term/ Long Term Borrowings taken from Related Parties are repayable on demand , unless otherwise invested in form of equity/ advance against equity, given or converted into share application money, and provided there is sufficient cash flows available in the company for the project and according to the terms of the lenders and investors for promoter funding.
5. While, the Common Loan Agreement signed with the Consortium does not have specific provisions to recall the loan, there are few provisions for lenders to accelerate or advance the repayment. We summarise as follows.

The Common Loan Agreement enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests, including by invoking the pledge, on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. Payment default by Borrower/ Promoters under Finance Documents, Non Payment Default by Borrower/ Promoters under the Finance Documents, Payment default by Borrower under Project Documents, Non Payment default by Borrower/ Promoters under the Project Documents, Non adherence to Financial Covenants, Non compliance with reports/ observations of Rupee Lenders' consultants, Cross Default, Failure to obtain/ Termination/ Revocation, etc., of Approvals, Project abandonment, Court Order/Government Actions, Security defaults, Supply of Misleading Information, Insolvency and Inability to Pay Debts, Insurance (non insurance/under insurance), Sale, Disposal and Removal of Assets, Material Adverse Litigations, Proceedings for Winding Up of Borrower, Proceedings for Winding Up of Promoter, Illegality, Termination of Transaction Documents, Material Adverse Effect, Extra-Ordinary Circumstances, Invalidity of Finance Documents, TRA Default, Borrower has failed to maintain the Management Control. Further, in the event the Company has sufficient cash flows to service the loans, the lenders are entitled to advance the loan repayment dates, in terms of the Common Loan Agreement. Further, any material breach of the project agreements, such as agreements for installation of rides and attractions and construction contracts, by AEL or their counter-parties that is not waived by the lenders or is otherwise not cured may also trigger default provisions under the Common Loan Agreement.

6. For details of borrowings availed from Promoters and Group companies, refer Annexure XVIII A and XVIII B.
7. The above statement should be read with the para 10 of Auditors Report.

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE XI

RESTATED CONSOLIDATED STATEMENT OF OTHER LONG-TERM PROVISIONS

| <i>Rs. in million</i> | |
|--|---------------------|
| Particulars | As at Sept 30, 2014 |
| – Provision for gratuity | 10.66 |
| – Provision for leave travel allowance | 9.94 |
| Total | 20.60 |

NOTES:

1. The figures disclosed above are based on the restated consolidated financial statement of assets and liabilities of the Group.
2. The above statement should be read with the notes to restated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XII

RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES, OTHER CURRENT LIABILITIES AND SHORT-TERM PROVISIONS

| <i>Rs. in million</i> | |
|--|---------------------|
| Particulars | As at Sept 30, 2014 |
| Trade Payables | |
| Expenses trade payable | 180.14 |
| Total | 180.14 |
| Other Current Liabilities | |
| - Current maturity of Long Term Debt | 208.36 |
| - Advance received against ticket sales | 26.46 |
| - Statutory dues | 14.33 |
| - Security deposits from sales agents | 1.5 |
| - Sundry creditors for land purchase | 29.25 |
| - Sundry creditors for capital goods and services (Refer note 3 below) | 161.33 |
| Other Expenses Payable | 0.06 |
| Interest accrued but not due on borrowing | 3.28 |
| Interest accrued and due on borrowing | 77.59 |
| Sundry Creditors Others | - |
| Advance for project | 23.00 |
| Total | 545.16 |
| Short-Term Provisions | |
| - Provision for gratuity | 0.28 |
| - Provision for leave travel allowance | 2.15 |
| - Provision for leave encashment | 0.80 |
| Total | 3.23 |

NOTES:

1. The figures disclosed above are based on the restated consolidated financial statement of profit and loss of the Group.
2. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. Due to micro and small enterprises as per MSMED Act, 2006 included in Sundry creditors for capital goods and services as on September 30, 2014 is Rs 0.96 millions.

For **A.T.Jain & Co.**

Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE XIII A

RESTATED CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS

| <i>Rs. in million</i> | |
|---|--|
| Particulars | For the period Apr 1, 2014 Sep 30, 2014 |
| Income from Sale of products | 712.48 |
| Income from Sale of Services | 9.20 |
| Revenue from operations (Net) | 721.68 |
| Details of Products sold | |
| Tickets sales | 553.82 |
| Food & beverages sales | 119.80 |
| Merchandise sales | 38.86 |
| Total | 712.48 |
| Details of Sale of Services | |
| Income from parking services | 3.92 |
| Income from third party logistic services | 3.88 |
| Income from space on hire | 0.44 |
| Income from lockers | 0.70 |
| Misc. Income | 0.26 |
| Total | 9.20 |

NOTES:

1. The figures disclosed above are based on the restated consolidated financial statement of profit and loss of the Group.
2. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XIII B

RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | Nature: Recurring / Non-recurring | Related/ Not related to business activity |
|-------------------------------------|--|-----------------------------------|---|
| Other Income | | | |
| Income from liquid fund investments | 8.67 | Recurring | Not-related |
| Interest Income | 2.90 | Recurring | Not-related |
| Interest on Income Tax Refund | *0.00 | Non-recurring | Not-related |
| | | | |
| Total | 11.57 | | |
| | | | |

NOTES:

1. The classification of other income as recurring/ not-recurring, related/ not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The amounts disclosed above are based on the restated consolidated financial statements of profit and loss of the Group.
3. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
4. *Amount less than Rs 0.01 million

For A.T.Jain & Co.

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XIII C**RESTATED CONSOLIDATED STATEMENT OF OPERATING AND OTHER EXPENSES***Rs. in million*

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 |
|---|---|
| Consumables & spares parts | 11.71 |
| Rent | 10.03 |
| Rates and taxes | 6.62 |
| Repairs and Maintenance (Plant & Machinery) | 32.28 |
| Power, fuel and water | 53.87 |
| Freight and forwarding expenses | 0.96 |
| Housekeeping expenses | 19.58 |
| Event & entertainment expenses | 16.11 |
| Advertisement and marketing expenses | 124.01 |
| Insurance expense | 10.47 |
| Communication expenses | 2.42 |
| Travelling and conveyance expenses | 23.22 |
| Payment to auditors | 0.57 |
| Legal and professional fees | 23.24 |
| Foreign exchange loss (net) | 0.46 |
| Discounts given | 28.30 |
| Commission | 14.91 |
| Security and safety expenses | 31.40 |
| Printing and stationery expenses | 3.61 |
| Director sitting fees | 1.04 |
| Other operating expenses | 10.92 |
| Total | 425.73 |

NOTES:

1. The figures disclosed above are based on the restated consolidated financial statement of profit and loss of the Company.
2. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XIV

RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES

| <i>Rs. in million</i> | |
|------------------------------|--------------------|
| Particulars | As at Sep 30, 2014 |
| Suit filed against the Group | 8.78 |
| Total | 8.78 |

NOTES:

1. The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XV

RESTATED CONSOLIDATED STATEMENT OF DIVIDEND

| | | <i>Rs. in million</i> |
|----------------------------------|--|-----------------------|
| | | |
| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | |
| Equity Share Capital | | 484.63 |
| Dividend on Equity Share Capital | | - |

NOTES:

1. The Group has not paid any Dividend for the above period.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XVI

RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS

Rs. in million other than number of shares and NAV

| Particulars | | For the period Apr 1, 2014 to Sep 30, 2014 |
|---|---------|---|
| Basic earnings per share(Refer Note 1(a)) | A/B | (11.05) |
| Diluted earnings per share(Refer Note 1(b)) | A/E | (11.05) |
| Net Profit after tax | A | (535.29) |
| Weighted average no. of equity shares outstanding during the period/year (Refer Note 2) | B | 4,84,63,035 |
| Net Worth at the end of the period/year | C | 2600.16 |
| Total no. of equity shares outstanding at the end of the period/year | D | 4,84,63,035 |
| Weighted average no. of dilutive equity shares outstanding during the period/year | E | 58,897,810* |
| Return on Net Worth (%) (Refer Note 1(c) below) | A/C*100 | (20.59) |
| Net asset value per equity share (in Rs.) (Refer Note 1(d) below) | C/D | 54 |

NOTES:

- The Ratios have been computed as below:

| | |
|--------------------------------------|--|
| (a) Basic Earnings per share (Rs.) | <div>Net profit after tax (as restated)</div> <hr/> <div>Weighted average number of equity shares outstanding during the period/ year</div> |
| (b) Diluted Earnings per share (Rs.) | <div>Net profit after tax (as restated)</div> <hr/> <div>Weighted average number of diluted equity shares outstanding during the period/year</div> |
| (c) Return on net worth (%) | <div>Net Profit after tax as restated</div> <hr/> <div>Net worth at the end of the period/year</div> |
| (d) Net asset value per share (Rs.) | <div>Net worth at the end of the period/year</div> <hr/> <div>Total number of equity shares outstanding at the end of the period/year</div> |

- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (Securities Premium and deficit in statement of Profit and Loss) - Share issue expenses (to the extent not written off or adjusted)
- The figures disclosed above are based on the restated consolidated financial statements of the Group.
- The above statement should be read with the notes to restated consolidated financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
- The basic, diluted earnings per share and return on net-worth for six month period ended as on September 30, 2014 has been calculated on restated consolidated profit for six month period only and not annualized
- The above statement should be read with the para 10 of Auditors Report.

8. The Potential Equity shares has anti-dilutive effect, therefore the Diluted Earnings Per Share is same as Basic Earnings Per Share.
9. *Post conversion of potential equity shares (Compulsory Convertible Debentures).

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XVII
CAPITALIZATION STATEMENT

Rs. in million

| Particulars | Pre IPO as at September 30, 2014 |
|---|----------------------------------|
| Debt | |
| Short term debt (A) | 575.50 |
| Long term debt (B) | 12,252.46 |
| Total debt (A+B) | 12,827.96 |
| | |
| Shareholders' funds | |
| Share Capital | 484.63 |
| Reserves and Surplus, as restated | |
| Securities premium account | 3,199.97 |
| Deficit in the statement of profit and loss | (1084.44) |
| Total shareholders' funds (C) | 2,600.16 |
| | |
| Long term debt / equity (B/C) | 4.7122 : 1 |
| Total debt/equity ([A+B]/C) | 4.9335 : 1 |

NOTES

1. The above has been computed on the basis of the restated consolidated financial statements of assets and liabilities of the Group.
2. The figures disclosed are based upon restated consolidated financial information of the Group.
3. The post issue details have not been provided as the issue price of the share is not known at the date of the report.
4. Long term debt includes amount of Rs 208.36 millions which is payable within a period of 12 months from September 30th, 2014.
5. Short term debt consists of loan received from promoters.
6. For details of borrowings availed from Promoters and Group companies, refer Annexure XVIII A and XVIII B.
7. For details of reserves and surplus, significant changes in share capital, and long term borrowings and short term borrowings with notes thereto, refer Annexure V A, V B and Annexure XI respectively.
8. The above statement should be read with the para 10 and 11 of Auditors Report.

For **A.T.Jain & Co.**

Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE XVIII A

RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY TRANSACTIONS

List of related parties and transactions as per requirements of Accounting Standard - 18, 'Related Party Disclosures'

| <i>Rs. in million</i> | | | |
|------------------------------|------------------------------|--|---|
| Name of Related Party | Relationship | Nature of Transaction | For the period Apr 1, 2014 to Sep 30, 2014 |
| Mr. Manmohan Shetty | Key Managerial Personnel | Rent paid | 8.24 |
| | | Royalty | 0.06 |
| Mr. Manmohan Shetty | Significant Influence exists | Unsecured advance given | 0.07 |
| Miss. Aarti Shetty | Relative | Consultancy | 1.35 |
| | | Shares of Walkwater Properties Pvt Ltd purchased | 0.05 |
| Mr. Kapil Bagla | Key Managerial Personnel | Remuneration | 4.23 |
| Mrs. Pooja Deora | Relatives | Consultancy | 1.68 |
| | | Shares of Walkwater Properties Pvt Ltd purchased | 0.05 |
| Mr. Harjeet Chhabra | Key Managerial Personnel | Remuneration | 2.77 |
| Mr. Vincet Pijnenburg | Key Managerial Personnel | Remuneration | 3.12 |

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE XVIII B

STATEMENT OF CONSOLIDATED OUTSTANDING BALANCES OF RELATED PARTIES

| <i>Rs. in million</i> | | | |
|------------------------------|------------------------------|----------------------|-------------------------------|
| Name of Related Party | Relationship | Nature | As at Sep 30, 2014 |
| M/s. Thrill Park Ltd. | Holding Company | Long Term Borrowing | 0.10 |
| | | Short Term Borrowing | 70.00 |
| Mr. Manmohan Shetty | Key Managerial Personnel | Short Term Borrowing | 450.00 |
| | | Security Deposit | 24.25 |
| Mr. Manmohan Shetty | Significant Influence exists | Other Receivable | 11.64 |
| Pooja Deora | Relative | Current Liabilities | 0.52 |
| Aarti Shetty | Key Managerial Personnel | Current Liabilities | 0.42 |

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

STANDALONE FINANCIAL STATEMENTS

AUDITORS REPORT

Auditors' report as required by Clause 1(b) of Section 26 of the Companies Act, 2013

The Board of Directors
Adlabs Entertainment Limited
30/31, Sangdewadi,
Khopoli-Pali Road,
Taluka - Khalapur,
Dist: Raigad, Pin – 410 203

Dear Sirs,

1. We have examined the attached restated standalone financial information of Adlabs Entertainment Limited (the “**Company**”) as at September 30, 2014 and at March 31, 2014, 2013, 2012, 2011 and 2010 for six months period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and for the period ended March 31, 2010, for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (“**IPO**”). Such financial information has been approved by the Board of Directors and prepared by the Company in accordance with the requirements of:
 - (a) clause 1(b) of Section 26 of the Companies Act, 2013 (the “**Act**”); and
 - (b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**Regulations**”) issued by the Securities and Exchange Board of India (“**SEBI**”) on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
2. We have examined such restated standalone financial information taking into consideration:
 - (a) the terms of our engagement agreed with you vide our engagement letter dated 7th January, 2014, 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 Accountant of India.

Financial information as per audited financial statements:

3. The restated standalone financial information has been compiled by the management from:
 - (a) the audited interim financial statements of the Company as at and for the six months period ended September 30, 2014, which have been approved by the Board of Directors and audited by us;
 - (b) the audited financial statements of the Company as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and for the period ended March 31, 2010 which have been approved by the board of directors and audited by us,
 - (c) and other financial and other records of the Company, to the extent considered necessary, for the presentation of the restated standalone financial statements under the requirements of the schedule III of the Act in relation to the year ended March 31, 2014, 2013, 2012, 2011 and for the period ended March 31, 2010;
4. In accordance with the requirements of clause 1(b) of Section 26 of the Act, the Regulations and terms of our engagement agreed with you, we report that:

Read with paragraph 4 above, we have examined the restated standalone statements of assets and liabilities of the Company as at September 30, 2014 and at March 31, 2014, 2013, 2012, 2011 and 2010 and the related restated standalone statements of profits and losses and cash flows for six months

period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012 and 2011, and for the period ended March 31, 2010 (collectively, the “**Restated Standalone Financial Statements**”) and as set out in Annexure I to III.

5. Based on our examination, we further 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 section 1, 2 and 3 of Annexure IV(B) to this report;
 - (b) The impact arising on account of changes in accounting policies adopted by the Company as at and for the six months period ended September 30, 2014, is applied with retrospective effect in the restated standalone financial statements;
 - (c) Adjustments for the material amounts in the respective financial years to which they relate have been adjusted in the attached restated standalone financial statements;
 - (d) There are no extraordinary items which need to be disclosed separately in the restated standalone financial statements;
 - (e) There are no qualifications in the auditors’ reports on the restated standalone financial statements of the Company as at and for six months period ended September 30, 2014 and as at and for each of the years ended March 31, 2014, 2013, 2012, 2011, and for the period ended March 31, 2010 which require any adjustments to the Restated standalone Financial Statements; and
 - (f) In our opinion, the financial information as disclosed in the Annexure to this report, read with the respective significant accounting policies and notes disclosed in Annexure IV(C), and after making adjustments and re-groupings as considered appropriate and disclosed in Annexure IV (A) and IV (B), have been prepared in accordance with the requirements of clause 1(b) of Section 26 of the Act and the Regulations.
6. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2014. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2014.

Other Financial Information:

7. At the Company’s request, we have also examined the following financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the six months period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011, and for the period ended March 31, 2010:
 - (i) Restated standalone Statement of Reserves and Surplus and Significant changes in share capital, enclosed as Annexure VA and VB;
 - (ii) Restated standalone Statement of Trade Receivables, enclosed as Annexure VI
 - (iii) Restated standalone Statement of Long-term Loans and Advances and Other Non-Current Assets, enclosed as Annexure VII
 - (iv) Restated standalone Statement of Non-Current Investment, enclosed as Annexure VIII
 - (v) Restated standalone Statement of Short-term Loans and Advances and Other Current Assets, enclosed as Annexure IX
 - (vi) Restated standalone Statement of Tangible and Intangible assets enclosed as Annexure X
 - (vii) Restated standalone Statement of Long-term borrowings and Short-term borrowing enclosed as Annexure XI

- (viii) Restated standalone Statement of Long-term Provisions, enclosed as Annexure XII
 - (ix) Restated standalone Statement of Trade Payables, Other Current Liabilities and Short-term Provisions, enclosed as Annexure XIII
 - (x) Restated standalone Statement of Revenue from operation, Other Income and Operating and Other expenses, enclosed as Annexure XIV A, XIV B and XIVC respectively.
 - (xi) Restated standalone Statement of Contingent Liabilities, enclosed as Annexure XV
 - (xii) Restated standalone Statement of Dividend enclosed as Annexure XVI
 - (xiii) Restated standalone Statement of Accounting Ratios, enclosed as Annexure XVII
 - (xiv) Capitalisation Statement, as appearing in Annexure XVIII
 - (xv) Restated standalone Tax Shelter Statement, enclosed as Annexure XIX
 - (xvi) Restated standalone Statement of Related Party Transactions and Outstanding balances, enclosed as Annexure XX A and XX B respectively.
8. 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 an opinion on any of the financial statements referred to herein.
 9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 10. We report that, for 14,39,999 Compulsorily Convertible Debentures(CCDs) of Rs.1000 each issued to India Advantage Fund- S3 I on September 11, 2013, the Company has converted the same into 10,434,775 equity shares of face value Rs 10/- each vide the Board Meeting dated January 30, 2015.
 11. We report that, on October 10, 2014, the Company allotted (i) 95 equity shares of face value Rs 10/- each and 474,978 CCDs of face value ₹ 1,000 each to NYLIM Jacob Ballas India Holdings IV; and (ii) 5 equity shares of face value Rs 10/- each and 24,999 CCDs of face value ₹ 1,000 each to Jacob Ballas Capital India Private Limited. Pursuant to the Board Meeting held on January 30, 2015, the 474,978 CCDs issued to NYLIM Jacob Ballas India Holdings IV were converted into 2,539,989 equity shares of face value Rs 10/- each and the 24,999 CCDs issued to Jacob Ballas Capital India Private Limited were converted into 133,684 equity shares of face value Rs 10/- each.
 12. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For A.T.Jain & Co.

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE I

RESTATED STANDALONE FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

Rs. in million

| | Particulars | As at | | | | | |
|----------|--|------------------|------------------|------------------|-----------------|-----------------|-----------------|
| | | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| A | Non-current assets | | | | | | |
| | Fixed assets | | | | | | |
| | Tangible assets | 12,621.86 | 12,870.41 | 2,475.69 | 2,304.55 | 2,266.92 | 2,241.45 |
| | Intangible assets | 72.66 | 73.33 | 4.39 | - | - | - |
| | Capital work-in-progress | 1,961.68 | 1,000.89 | 8,189.48 | 1,462.20 | 440.79 | 179.25 |
| | Non-current Investment | 4.15 | - | - | - | - | - |
| | Deferred tax assets (net) | 470.42 | 143.47 | 7.43 | - | - | - |
| | Long-term loans and advances | 106.97 | 103.57 | 103.07 | 68.80 | 77.05 | 69.06 |
| | Other non-current assets | - | - | - | - | 3.64 | 3.29 |
| | | 15,237.74 | 14,191.67 | 10,780.06 | 3,835.55 | 2,788.40 | 2,493.05 |
| B | Current assets | | | | | | |
| | Inventories | 93.34 | 49.49 | - | - | - | - |
| | Trade receivables | 71.99 | 6.33 | - | - | - | - |
| | Cash and bank balances | 190.90 | 355.77 | 297.41 | 61.90 | 65.30 | 5.74 |
| | Short-term loans and advances | - | - | - | - | - | 0.14 |
| | Other current assets | 296.44 | 399.10 | 464.57 | 777.38 | 2.39 | 0.35 |
| | | 652.67 | 810.69 | 761.98 | 839.28 | 67.69 | 6.23 |
| C | Total assets (C= A + B) | 15890.41 | 15002.36 | 11,542.04 | 4,674.83 | 2,856.09 | 2,499.28 |
| D | Non-current liabilities | | | | | | |
| | Long-term borrowings | 12,044.09 | 10,880.44 | 7,311.03 | 30.71 | - | - |
| | Long-term provisions | 20.60 | 15.45 | 10.39 | 0.96 | - | - |
| | | 12,064.69 | 10,895.89 | 7,321.42 | 31.67 | - | - |
| E | Current liabilities | | | | | | |
| | Short-term borrowings | 520.00 | 520.00 | 570.00 | 1,950.13 | 454.90 | 232.38 |
| | Trade payables | 180.14 | 146.86 | 8.53 | 2.13 | 0.53 | 2.99 |
| | Other current liabilities | 522.09 | 303.60 | 548.69 | 183.17 | 109.99 | 352.36 |
| | Short-term provisions | 3.23 | 0.56 | 3.13 | 4.42 | 2.17 | - |
| | | 1,225.46 | 971.02 | 1,130.35 | 2,139.85 | 567.59 | 587.73 |
| F | Total liabilities (F= D + E) | 13,290.15 | 11,866.91 | 8,451.77 | 2,171.52 | 567.59 | 587.73 |
| G | Share issue expenses (to the extent not written off or adjusted) | - | - | - | - | 3.64 | 3.28 |
| H | Share Application money | - | - | - | - | 57.55 | 33.50 |
| | Net Worth (C - F - G - H) | 2,600.26 | 3135.45 | 3,090.27 | 2,503.31 | 2,227.31 | 1,874.77 |
| I | Net worth represented by shareholders' funds | | | | | | |
| | Share capital | | | | | | |
| | Equity share capital | 484.63 | 484.63 | 458.72 | 419.17 | 372.68 | 313.84 |
| | Total Share capital | 484.63 | 484.63 | 458.72 | 419.17 | 372.68 | 313.84 |
| J | Reserves and surplus | | | | | | |
| | Securities premium account | 3,199.97 | 3,199.97 | 2,655.88 | 2,090.83 | 1,858.38 | 1,564.21 |
| | Net surplus/(deficit) in the statement of profit and loss | (1084.34) | (549.15) | (24.33) | (6.69) | (0.11) | - |
| | Total Reserves and surplus | 2,115.63 | 2,650.82 | 2,631.55 | 2,084.14 | 1,858.27 | 1,564.21 |

| | Particulars | As at | | | | | Mar 31, 2010 |
|----------|--|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| | | | | | | | |
| K | Share issue expenses (to the extent not written off or adjusted) | - | - | - | - | 3.64 | 3.28 |
| | | | | | | | |
| | Net Worth (I + J - K) | 2,600.26 | 3,135.45 | 3,090.27 | 2,503.31 | 2,227.31 | 1,874.77 |

NOTES:

1. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
2. The above statement should be read with the para 10 of Auditors Report.

As per our report of even date
For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE II

RESTATED STANDALONE FINANCIAL STATEMENT OF PROFITS AND LOSSES

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|---|--|--------------------|----------------|---------------|---------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Income from continuing operations | | | | | | |
| Revenue from operations | | | | | | |
| Income from Sale of Product | 712.48 | 1,016.91 | - | - | - | - |
| Income from Sale of Service | 9.20 | 20.16 | - | - | - | - |
| Other income | 11.57 | 32.11 | 35.57 | - | - | - |
| Total revenue | 733.25 | 1,069.18 | 35.57 | - | - | - |
| Expenses | | | | | | |
| Cost of Material consumed | 38.74 | 70.59 | - | - | - | - |
| Purchase of Trading goods -Merchandise | 34.87 | 43.06 | - | - | - | - |
| Increase/(Decrease) in Inventories | (16.64) | (10.58) | - | - | - | - |
| Personnel expense | 204.91 | 200.05 | 33.43 | - | - | - |
| Other operating expenses | 425.72 | 696.40 | 27.10 | 5.82 | 0.11 | - |
| Total expenses | 687.60 | 999.52 | 60.53 | 5.82 | 0.11 | - |
| Restated Profit/(Loss) before depreciation, Interest, tax and exceptional items from continuing operations | 45.65 | 69.66 | (24.96) | (5.82) | (0.11) | - |
| Depreciation and Amortisation expense | 367.69 | 305.21 | 0.11 | - | - | - |
| Interest & Finance cost | 540.10 | 425.33 | - | - | - | - |
| Restated profit before tax and exceptional items from continuing operations | (862.14) | (660.88) | (25.07) | (5.82) | (0.11) | - |
| Tax expense/(income) | | | | | | |
| Current tax | - | - | - | (0.76) | - | - |
| Deferred tax | 326.95 | 136.06 | 7.43 | - | - | - |
| Excess Provision for tax | - | - | - | - | - | - |
| Total tax expense | 326.95 | 136.06 | 7.43 | (0.76) | - | - |
| Restated profit for the period/year | (535.19) | (524.82) | (17.64) | (6.58) | (0.11) | - |

NOTES:

- The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

As per our report of even date

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE III

RESTATED STANDALONE FINANCIAL STATEMENT OF CASH FLOWS

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|--|--|--------------------|----------------|---------------|----------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | | | |
| Profit before taxation from continuing operations (as restated) | (862.14) | (660.88) | (25.07) | (5.82) | (0.11) | - |
| Profit before taxation from dis-continuing operations (as restated) | - | - | - | - | - | - |
| Profit before taxation (as restated) | (862.14) | (660.88) | (25.07) | (5.82) | (0.11) | - |
| Non cash adjustments to reconcile profit before tax to net cash flows | | | | | | |
| Depreciation and amortisation expense | 367.69 | 305.18 | 0.11 | - | - | - |
| Preliminary Expense W/off | - | - | - | 3.64 | - | - |
| Stamp duty W/off | - | - | 0.48 | 0.89 | - | - |
| Office Expense W/off | - | - | - | 0.06 | - | - |
| Interest income | (2.90) | (4.26) | - | - | - | - |
| Interest Expense | 540.10 | 425.33 | - | - | - | - |
| Operating profit before working capital changes (as restated) | 42.75 | 65.37 | (24.48) | (1.23) | (0.11) | - |
| Movements in Working Capital | | | | | | |
| (Increase)/decrease in Inventories | (43.85) | (49.49) | - | - | - | - |
| (Increase)/decrease in trade receivables | (65.66) | (6.33) | - | - | - | - |
| (Increase)/decrease in Short Term Loan and Advance | - | - | - | - | 0.14 | 0.06 |
| (Increase)/decrease in Other Current Assets | 105.24 | 67.96 | 312.67 | (775.88) | (2.02) | *(0.00) |
| (Increase)/decrease in long-term loans and advances | - | - | (34.27) | 8.24 | (7.98) | (0.90) |
| Increase/(decrease) in Short Term Borrowing | - | - | - | 1,495.22 | 222.53 | - |
| Increase/(decrease) in Trade Payable | 33.28 | 138.34 | 6.40 | 1.60 | (2.47) | 14.93 |
| Increase/(decrease) in Other Current Liabilities | 218.49 | (245.09) | 365.52 | 73.18 | (242.37) | (31.47) |
| Increase/(decrease) in Short Term Provision | 2.67 | (2.57) | (1.29) | 1.71 | 2.18 | - |
| Increase/(decrease) in Long Term Provision | 5.16 | 5.06 | 9.43 | 0.97 | - | - |
| Cash flow from operations | 298.08 | (26.75) | 633.98 | 803.81 | (30.10) | (17.38) |
| Direct taxes paid (net of refunds) | (2.58) | (2.49) | (0.35) | (0.22) | (0.02) | - |
| Net cash generated from operating activities (A) | 295.50 | (29.24) | 633.63 | 803.59 | (30.12) | (17.38) |
| B. CASH FLOW USED IN INVESTING ACTIVITIES | | | | | | |
| Purchase of fixed assets, including intangible assets, capital work in progress and capital advances | (1083.31) | (3580.24) | (6,902.92) | (1,059.10) | (287.01) | (41.16) |

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|--|--|--------------------|-------------------|-------------------|-----------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Purchase of Non Current Investment | (0.10) | - | - | - | - | - |
| Interest | 2.90 | 4.26 | 3.47 | 2.31 | - | - |
| Transfer to CWIP | - | - | (3.47) | (2.31) | - | - |
| Net cash used in investing activities (B) | (1,080.51) | (3,575.98) | (6,902.92) | (1,059.10) | (287.01) | (41.16) |
| C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES | | | | | | - |
| Proceed from issue of share | - | 520.00 | 604.60 | 221.41 | 353.00 | - |
| Proceed from Long term borrowings taken | 1,160.24 | 3568.91 | 6,358.10 | 30.70 | - | 33.00 |
| Proceed from Short term borrowings taken | - | - | (457.90) | - | - | - |
| Preliminary & share issue Expenses Incurred | - | - | - | - | (0.36) | (3.10) |
| Advance against the equity | - | - | - | - | 24.05 | - |
| Share Application money pending allotment | - | - | - | - | - | 33.50 |
| Interest expense and Borrowing cost paid | (540.10) | (425.33) | (597.31) | (111.22) | - | - |
| Borrowing Cost Transfer to CWIP | - | - | 597.31 | 111.22 | - | - |
| Net cash generated from/(used in) financing activities (C) | 620.14 | 3663.58 | 6,504.80 | 252.11 | 376.69 | 63.40 |
| Net increase/(decrease) in cash and cash equivalents (A +B+C) | (164.87) | 58.36 | 235.51 | (3.40) | 59.56 | 4.86 |
| Cash and cash equivalents at the beginning of the period/year | 355.77 | 297.41 | 61.90 | 65.30 | 5.74 | 0.88 |
| Total Cash and cash equivalents at the end of the period/year | 190.90 | 355.77 | 297.41 | 61.90 | 65.30 | 5.74 |

Rs. in million

| Components of Cash and Cash Equivalents | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|---|--|--------------------|---------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Cash on hand | 27.36 | 5.83 | 0.51 | 0.48 | 0.14 | 0.04 |
| Balance with scheduled banks: | | | | | | |
| Current account | 102.98 | 154.04 | 234.23 | 51.21 | 5.02 | 5.70 |
| FD with Bank | 47.15 | 87.56 | 60.42 | 10.21 | 40.09 | - |
| Liquid fund Investment | 13.41 | 108.34 | 2.25 | - | 20.05 | - |
| Total | 190.90 | 355.77 | 297.41 | 61.90 | 65.30 | 5.74 |

NOTES:

- Figures in brackets indicate cash outflow
- The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
- *Amount less than Rs 0.01 million

As per our report of even date

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

NOTES TO RESTATED STANDALONE FINANCIAL STATEMENTS

ANNEXURE IVA

NOTES ON MATERIAL ADJUSTMENTS

The summary of results of restatement made in the audited financial statements for the respective years and its impact on the profit/ (loss) of the Company is as follows

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | Rs. in million |
|---|--|--------------------|----------------|---------------|---------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | For the period Feb 10, 2010 to Mar 31, 2010 |
| (A) Net Profit/(Loss) as per audited financial statements | (536.14) | (527.57) | (14.57) | (6.06) | - | - |
| Adjustments due to changes in accounting policies | | | | | | |
| (Increase)/Decrease in Depreciation due to change in method from Written Down Value (WDV) Method to Straight Line Method (SLM)(Refer Note 1(a) of Annexure IVB) | - | (0.02) | 0.02 | - | - | - |
| Accounting treatment as per provision under para 46A of AS-11 (Refer Note 2(A)(a) of Annexure IVB) | - | - | (3.72) | - | - | - |
| Reversal of Prior year adjustments due to the expense recognition in the year to which it relates.(Refer Note 2(A)(b) of Annexure IVB) | - | 3.72 | 0.63 | (0.52) | (0.11) | - |
| Income recognition (Refer Note 1(a) of Annexure IVB) | 0.95 | (0.95) | - | - | - | - |
| (B) Total Adjustments | 0.95 | 2.75 | (3.07) | (0.52) | (0.11) | - |
| Restated Profit/(Loss) (A + B) | (535.19) | (524.82) | (17.64) | (6.58) | (0.11) | - |

NOTES:

The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE IVB

1. a. Changes in Accounting Policies

Change in Depreciation policy from Written Down Value Method to Straight Line Method.

During the year ended March 31, 2014, the Company has change the method of depreciation from Written down value method to Straight line method. The depreciation figures appearing in the audited financial statements for the years ended March 31, 2013, 2012 and 2011 and for the period ended March 31, 2010 have been restated standalone to provide for the impact in each of the respective financial years due to the change in method of depreciation. The net block of fixed assets has been accordingly changed in each of the financial years ending March 31, 2013, 2012 and 2011 and for the period ended March 31, 2010 and also the Depreciation amount in Profit and Loss statement for the year ended March 31, 2013.

Change in Revenue recognition policy for Open Pass, Gift Passes and Open Day Tickets

During the period ended September 30, 2014 the Company has changed its accounting policy for recognizing revenue from sale of Open Pass/Gift Passes or Open Day Tickets – with all days validity which are Non-Refundable in nature. During the year ended March 31, 2014 revenue from sale of such Passes/Tickets was recognized when they were sold/ booked. The Company now recognizes the revenue when Passes/ Ticket are utilized or expired. Management believes that such change will result into more appropriate presentation of financial statements.

b. Presentation and disclosure of financial statements

During the period ended September 30, 2014, the Schedule III of the Companies Act, 2013, had become applicable to the Company, for preparation and presentation of its financial statements. Accordingly the Company has prepared the financial statements for the year ended March 31, 2014 in accordance with Schedule III of the Companies Act, 2013. The adoption of Schedule III of the Companies Act, 2013 does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the figures for the year ended March 31, 2014, 2013, 2012, 2011, and for the period ended March 31, 2010 in accordance with the requirements of Schedule III.

2. Other Adjustments

(A) *Prior period items*

(a) *Exchange Fluctuation on Long Term Borrowings*

During the year ended March 31, 2013 the Company has booked an exchange gain of Rs 3.72 million and has credited it to Profit and Loss Account under the head Other Income. The Exchange fluctuation was arising on account of Reporting of Long Term Borrowings.

As per para 46A of Accounting Standard -11 fluctuation arising on reporting of Long Term Borrowings on foreign loans availed for acquisition of assets should be added/deducted from cost of that particular asset, therefore company has reduced the said amount from the Profit and Loss account and deducted from Block of Assets for the year ended March 31, 2013. Therefore to the above extent Profit & Loss and Net Block of the Company are adjusted.

(b) *Audit Fees and Interest on TDS*

During the year ended March 31, 2012 and 2011 Company inadvertently transferred Audit Fees and Interest on TDS to Pre-Operative Expenses. The above items have been adjusted for restating and therefore the loss reported for the years ended March 31, 2012 and 2011 increased and Pre-Operative Expenses – Pending allocation

reduced by Rs 0.52 million and Rs 0.11 million respectively.

3. Material regroupings

Appropriate adjustments have been made in the restated standalone financial statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the six months period ended September 30, 2014, prepared in accordance with Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE IVC

Notes to the restated standalone financial statements of assets and liabilities, profits and losses and cash flows for the six month period ended September 30, 2014 and for the years ended March 31, 2014, 2013, 2012 and 2011 and period ended March 31, 2010:

1. Background

The Company is engaged in the business of development and operations of integrated theme based entertainment destinations in India, including theme parks, water parks and associated activities including retail and food and beverage outlets. The flagship project of the company is located at Khalapur, Off Mumbai Pune Expressway and is titled 'Imagica – The Theme Park' for the theme park component.

2. Basis of preparation

The restated standalone financial statement of assets and liabilities of the Company as at September 30, 2014, March 31, 2014, 2013, 2012, 2011, and 2010 and the related restated standalone financial statement of profits and losses and cash flows for the six months period ended September 30, 2014, and for the years ended March 31, 2014, 2013, 2012 and 2011, and for the period ended March 31, 2010 (herein collectively referred to as “**Restated Standalone financial statements**”) have been compiled by the management from the Interim financial statements of the Company for the six months period ended September 30, 2014 and from the financial statements for the years ended March 31, 2014, 2013, 2012, 2011, and for the period ended March 31, 2010.

The interim financial statements have been prepared in accordance with Accounting Standard 25 (“**AS 25**”) on Interim Financial Reporting to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements and interim financial statements have been prepared under the historical cost convention on an accrual basis.

These restated standalone financial statements have been prepared to comply in all material respects with the requirements of clause 1(b) of Section 26 of the Companies Act, 2013 (the “**Act**”) and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**Regulations**”).

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous years except for changes in accounting policy explained in note 1 of Annexure IV B.

3. Statement of Significant Accounting Policies

3.1 Use of estimates

The presentation of the financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3.2 Fixed Assets and Depreciation.

Fixed assets are valued at cost less accumulated depreciation. All cost comprises of purchase price, duties levies attributable to the fixed assets have been capitalized. Costs also include interest and financing costs, test and trial run costs till the commencement of commercial operations of theme park project, net charges on foreign exchange contracts and adjustments arising from exchange rate variations including mark to market provisions attributable to such fixed assets are also capitalized.

Expenses incurred relating to the Theme Park project prior to commencement of commercial operations is allocated in the ratio of cost of each Block of Fixed Assets.

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|---|--|--------------------|---------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Opening Balance | - | 128.30 | 68.25 | 38.06 | 15.28 | 6.10 |
| Add: Addition during the year | | | | | | |
| Payment to and Provisions for Employee Costs (Including Reimbursements) | - | 57.65 | 3.12 | 17.13 | 13.81 | 2.80 |
| Communication Expense | - | 1.05 | 1.41 | 2.03 | 0.93 | 0.63 |
| Office Expense | - | 13.11 | 2.43 | 0.28 | 0.40 | 0.31 |
| Conveyance Costs | - | 0.09 | | 0.32 | 0.26 | 0.30 |
| General and Administrative Charges | - | 76.89 | 39.87 | 7.79 | 6.76 | 5.10 |
| Professional Fees | - | 3.91 | 2.10 | 1.99 | 0.46 | 0.04 |
| Depreciation | - | 0.30 | 11.12 | 0.80 | 0.16 | - |
| Total | - | 153.00 | 60.05 | 30.34 | 22.78 | 9.18 |
| Less: Capitalised/Transferred | | | | | | |
| Pre-operative Borrowing Costs | - | - | - | 0.15 | - | - |
| Capitalised | - | 281.30 | - | - | - | - |
| | - | 281.30 | - | 0.15 | - | - |
| Closing Balance | - | - | 128.30 | 68.25 | 38.06 | 15.28 |

Depreciation is charged on Straight Line Method in Accordance with the rate and in the manner specified in Schedule II of the Companies Act, 2013 or on the basis of useful lives of the assets as estimated by management, whichever is lower. Useful life of the assets is tabulated below.

| Sr. No. | Nature of Asset | Rate of Depreciation | Estimated Useful Life |
|---------|--|----------------------|-----------------------|
| 1. | Building | 3.33% | 30 Years |
| 2. | Roads | 20% | 5 Years |
| 3. | Plant and Machinery | 6.67% | 15 Years |
| 4. | Furniture and fittings | | |
| (a) | General furniture and fittings | 10% | 10 Years |
| (b) | Furniture and fittings used in hotels and restaurants | 12.5% | 8 Years |
| 5. | Motor Vehicles | | |
| (a) | Motor cycles | 12.5% | 8 Years |
| (b) | Motor buses and motor cars | 12.5% | 8 Years |
| (c) | Electrically operated vehicles including battery powered or fuel cell powered vehicles | 12.5% | 8 Years |
| 6. | Office equipments | 20% | 5 Years |

| Sr. No. | Nature of Asset | Rate of Depreciation | Estimated Useful Life |
|---------|---|----------------------|-----------------------|
| 7. | Computers and data processing units | | |
| (a) | Servers and networks | 16.67% | 6 Years |
| (b) | End user devices, such as desktops, laptops, etc. | 33.33% | 3 Years |
| 8. | Electrical Installations and Fittings | 10% | 10 Years |
| 9. | Hydraulic woks, pipelines and sluices | 6.67% | 15 Years |
| 10. | Trees & Nursery | 33.33% to 3.33 % | 3 Years to 30 Years |

3.3 Inventories

Inventories are valued at lower of cost and net realizable value. Cost is arrived in the following manner:

| | | |
|-------------|---|------------------------|
| Food items | : | Weighted Average Basis |
| Merchandise | : | At Cost |

3.4 Intangible Assets

- (i) Intangible Assets are stated at Cost of Acquisition, net of recoverable taxes less accumulated amortizations/deletions.
- (ii) Depreciation is charged, based on the useful lives of the assets as estimated by the management.

| Sr. No. | Nature of asset | Estimated Useful Life |
|---------|----------------------|-----------------------|
| 1. | Trademarks and Logos | 10 Years |
| 2. | Software | 6 Years |

3.5 Provisions, Contingent Liabilities and Contingent assets

A provision is recognized when the company has a present obligation as a result of a past event, and it is a probability that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economics benefits is remote. A contingent asset is neither recognized nor disclosed.

3.6 Foreign Currency Transactions:

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year-end or period end in respect of monetary assets and monetary liabilities not covered by the forward contracts are transferred to Profit & Loss Account except for Long Term Foreign Currency Monetary Items.

The Company as per provisions under para 46A of Accounting Standard 11 notification, has added/deducted from the Cost of Assets the Exchange Fluctuation including mark to market provisions arising on reporting of Long Term Foreign Currency Monetary Item utilized for acquiring the said Fixed Assets.

Such Exchange fluctuation capitalized will be amortized over the balance useful life of the Fixed Assets.

Exchange Fluctuation added/ (deducted) to the cost of asset.

(Rs. in million)

| Particulars | As at | | | | | |
|----------------------|---------------|--------------|--------------|--------------|--------------|--------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Exchange Fluctuation | (15.57) | 157.51 | (3.72) | - | - | - |

3.7 Borrowing Cost: (Interest and Finance Charges)

Borrowing costs that are attributable to acquisition and construction of qualifying assets are capitalized till the asset is put to use. All other borrowing costs are recognized as expenditure in the period in which they are incurred.

Borrowing costs that are attributable to acquisition and construction of qualifying assets are capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Borrowing Cost Capitalized

(Rs. in million)

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | Year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|----------------|--|--------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Borrowing Cost | 67.05 | 1,544.90 | - | - | - | - |

Average Cost of Capitalization

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | Year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|------------------------------------|--|--------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Borrowing Cost Capitalisation Rate | 9.86% | 10.77% | - | - | - | - |

3.8 Impairment of Asset

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.9 Employee Benefit

The Company has provided for leave encashment and gratuity as per actuarial valuation done on projected unit credit method. Both the liabilities are non funded.

3.10 Income Tax

Current Tax

Provision for current Income Tax is made on the estimated taxable income using the applicable tax rates and tax laws.

Deferred Tax

Deferred Tax arising on the timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax asset is not recognized unless there is a virtual certainty as regards to the reversal of the same in future years.

3.11 Investments

Long term investments are stated at cost less other than temporary diminution in value, if any. Current investments are stated at lower of cost and fair value. Fair value of investments in mutual funds is determined on a per portfolio basis.

3.12 Revenue recognition

The Company has revenue recognition policies for its various operating segments that are appropriate to the nature of each business.

Tickets

Revenues from theme park/water park ticket sales are recognized when the tickets are issued.

Revenue from sale of Open Pass/Gift Passes or Open Day Tickets – with all days validity which are Non-Refundable in nature are recognized when Passes are utilized or expired.

Food/Beverages

Revenue is recognized when food/ drinks are supplied or served or services rendered. Sales are inclusive of VAT.

Merchandise

Retail sale are recognized on delivery of the merchandise to the customer, when the property in goods and significant risk and rewards are transferred for a price and no effective ownership control is retained.

Others

The revenue is recognized on accrual basis and when significant risk and rewards are transferred.

3.13 Measurement of Profit/(Loss) Before Interest, Tax, Depreciation and Amortization

As permitted by the Guidance Note, the Company has elected to present Profit/(Loss) before depreciation, Interest, tax and exceptional items from continuing operations as a separate line item on the face of the statement of profit and loss. The Company measures Profit/(Loss) before depreciation, Interest, tax and exceptional items from continuing operations on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization, finance costs, tax expense and where applicable, prior period items.

3.14 Segment reporting policies

Rs. in million

| Particular | For the period/ year ended | Theme Park | Restaurants | Merchandise | Other Operations | Unallocable | Total |
|--|-------------------------------|------------|-------------|-------------|------------------|-------------|----------|
| Segment Revenue | Sep-14 | 553.82 | 119.80 | 38.86 | 9.20 | 8.67 | 730.35 |
| | March-14 | 712.88 | 240.21 | 63.82 | 20.16 | 27.85 | 1064.92 |
| Segment Result before Interest and Taxes | Sep-14 | (321.41) | 22.70 | (0.69) | (13.11) | (12.43) | (324.94) |
| | March-14 | (261.84) | 59.98 | 2.65 | (4.81) | (35.78) | (239.80) |
| Less : Interest expense | Sep-14 | - | - | - | - | (540.10) | (540.10) |
| | March-14 | - | - | - | - | (425.33) | (425.33) |

| Particular | For the period/ year ended | Theme Park | Restaurants | Merchandise | Other Operations | Unallocable | Total |
|-------------------------------------|-------------------------------|-----------------|---------------|---------------|------------------|------------------|------------------|
| Add : Interest and dividend income | Sep-14 | - | - | - | - | 2.90 | 2.90 |
| | March-14 | - | - | - | - | 4.26 | 4.26 |
| Profit before tax | Sep-14 | (321.41) | 22.70 | (0.69) | (13.11) | (549.63) | (862.14) |
| | March-14 | (261.84) | 59.98 | 2.65 | (4.81) | (456.85) | (660.87) |
| Deferred tax | Sep-14 | - | - | - | - | 326.95 | 326.95 |
| | March-14 | - | - | - | - | 136.05 | 136.05 |
| Profit after tax | Sep-14 | (321.41) | 22.70 | (0.69) | (13.11) | (222.68) | (535.19) |
| | March-14 | (261.84) | 59.98 | 2.65 | (4.81) | (324.50) | (524.82) |
| Other Information | | | | | | | |
| Segment assets | Sep-14 | 9,938.68 | 361.26 | 222.30 | 2.12 | 5,366.05 | 15,890.41 |
| | March-14 | 9,975.52 | 341.52 | 183.95 | 1.63 | 4,499.75 | 15,002.36 |
| Segment liabilities | Sep-14 | 1,476.43 | 22.46 | 7.80 | 69.52 | 11,713.94 | 13,290.16 |
| | March-14 | 1,563.30 | 16.51 | 6.61 | 4.63 | 10,275.86 | 11,866.91 |
| Capital expenditure during the year | Sep-14 | 88.91 | 17.67 | 11.89 | - | - | 118.47 |
| | March-14 | 10,211.95 | 355.72 | 187.75 | - | - | 10,755.43 |
| Depreciation and amortisation | Sep-14 | 349.64 | 14.23 | 3.82 | - | - | 367.69 |
| | March-14 | 290.35 | 11.72 | 3.14 | - | - | 305.21 |

NOTES:

- Company has commenced its operation during year ended March 31, 2014, therefore there are no segment activities which requires to be reported for segment reporting as per A.S – 17 “Segment Reporting” for the year ended March 2013, 2012, 2011 and for the period ended 2010.

3.15 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

4. Capital Commitments

Estimated amounts of contracts to be executed on capital account and not provided for in the accounts of the Company, net of advances, is Rs 418.43 millions as at September 2014, Rs 792.53 million as at March 31, 2014, Rs.894.24 million as at March 31, 2013, Rs 3,212.70 million as at March 31, 2012, Rs 6.88 million as at March 31, 2011, Rs 6.81 million as at March 31, 2010.

5. Operating lease

Rs. in million

| Particulars | As at | | | | | |
|---|---------------|---------------|---------------|--------------|--------------|--------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Lease payments for the period/year | 11.56 | 44.38 | 34.01 | 0.72 | 1.20 | - |
| Payments: | | | | | | |
| Not later than one year | 40.35 | 42.23 | 37.86 | 0.83 | 0.10 | - |
| Later than one year but not later than five years | 58.21 | 87.79 | 125.29 | 0.05 | - | - |
| Later than five years | 0.17 | 0.58 | 1.36 | - | - | - |
| Total | 110.29 | 174.98 | 198.52 | 1.60 | 1.30 | - |

6. Deferred tax assets/ (liabilities)

Components of Deferred tax assets/ (liabilities) are as follows

Rs. in million

| Timing difference on account of | As at | | | | | |
|---------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Deferred tax assets | | | | | | |

| Timing difference on account of | As at | | | | | |
|--|-----------------|-----------------|---------------|--------------|--------------|--------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Business Loss | 763.73 | 357.43 | 7.46 | - | - | - |
| Other Items | 1.01 | 1.69 | - | - | - | - |
| Expenditure on payment basis | 7.37 | 5.44 | - | - | - | - |
| Gross deferred tax assets (A) | 772.11 | 364.56 | 7.46 | - | - | - |
| Deferred tax liability | | | | | | |
| Difference between net block as per Income tax and Companies Act | (301.69) | (221.09) | (0.03) | - | - | - |
| Gross deferred tax liabilities (B) | (301.69) | (221.09) | (0.03) | - | - | - |
| Net deferred tax assets/ (liabilities) (A+B) | 470.42 | 143.47 | 7.43 | - | - | - |

7. Earnings per share ('EPS')

The calculations of earnings per share are based on the net profit and number of shares as computed below:

Rs. in million other than number of shares and EPS value

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|--|--|--------------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Net profit as per statement of profit and loss as restated | (535.19) | (524.82) | (17.64) | (6.58) | (0.11) | - |
| Weighted number of equity shares for calculating basic EPS | 48,463,035 | 46,745,224 | 4,39,22,486 | 3,86,52,156 | 3,19,80,549 | - |
| Basic EPS | (11.04) | (11.23) | (0.40) | (0.17) | (0.0034) | - |
| Weighted number of equity shares for calculating diluted EPS | 58,897,810 | 46,745,224 | 4,39,22,486 | 3,86,52,156 | 3,19,80,549 | - |
| Diluted EPS | (11.04) | (11.23) | (0.40) | (0.17) | (0.0034) | - |

NOTE:

1. The above statement should be read with the para 10 of Auditors Report.
2. The Potential Equity shares has anti-dilutive effect, therefore the Diluted Earnings Per Share is same as Basic Earnings Per Share

8. Expenditure in foreign currency (accrual basis)

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|-----------------------|--|--------------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Design & Development | - | - | 22.83 | 51.60 | 64.36 | 15.90 |
| Travelling Expenses | - | - | 0.56 | 0.58 | 0.19 | - |
| Other Purchases | - | - | 7.31 | - | - | - |
| Fund Raising Expenses | - | - | 0.85 | 1.36 | - | - |

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|-------------------|--|--------------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Ride & Attraction | 12.74 | 85.52 | 29.49 | 39.27 | 0.04 | - |
| Membership Fees | - | - | 0.12 | - | - | - |
| Software | 2.53 | 0.25 | - | - | - | - |
| Professional Fees | 13.83 | 17.40 | - | - | - | - |
| Interest | 7.37 | 11.85 | - | - | - | - |
| Consultancy Fees | - | - | - | 1.80 | - | - |
| Total | 36.47 | 115.02 | 61.16 | 94.61 | 64.59 | 15.90 |

9. Value of imports calculated on CIF basis

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|----------------------------|--|--------------------|----------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Components and spare parts | 14.61 | 0.71 | - | - | - | - |
| Capital goods | 112.84 | 580.07 | 2105.75 | 7.55 | - | - |
| Total | 127.45 | 580.78 | 2105.75 | 7.55 | - | - |

10. Un-hedged foreign Currency Exposure

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|---|--|--------------------|---------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Buyers Credit facility availed (including interest) | 1,389.15 | 1,360.80 | 922.22 | - | - | - |
| Total | 1,389.15 | 1,360.80 | 922.22 | - | - | - |

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE V A

RESTATED STANDALONE STATEMENT OF RESERVES AND SURPLUS

Rs. in million

| Particulars | As at | | | | | |
|--|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| A. Securities premium account | | | | | | |
| Balance as per last financial statements | 3199.97 | 2,655.88 | 2,090.83 | 1,858.38 | 1,564.21 | - |
| Add: receipt on issue of equity shares | - | 544.09 | 565.05 | 232.45 | 294.17 | 1,564.21 |
| Closing balance | 3199.97 | 3199.97 | 2,655.88 | 2,090.83 | 1,858.38 | 1,564.21 |
| B. Surplus/(deficit) i.e. the balance in statement of profit and loss as restated | | | | | | |
| Balance as per last financial statements as restated | (549.15) | (24.33) | (6.69) | (0.11) | - | - |
| Add: restated profit for the period/year | (535.19) | (524.82) | (17.64) | (6.58) | (0.11) | - |
| Net surplus/(deficit) in the statement of profit and loss as restated | (1084.34) | (549.15) | (24.33) | (6.69) | (0.11) | - |
| Total (A + B) | 2115.63 | 2,650.82 | 2,631.55 | 2,084.14 | 1,858.27 | 1,564.21 |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. The above statement should be read with the para 10 of Auditors Report.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE V B

STATEMENT OF SIGNIFICANT CHANGES IN SHARE CAPITAL

| Particulars | For period ended Sept 30, 2014 | As at | | | | For period ended Mar 31, 2010 |
|--|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------------------|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Authorised Equity Share Capital | 200,000,000 | 200,000,000 | 50,000,000 | 45,000,000 | 40,000,000 | 40,000,000 |
| Shares Outstanding at the beginning of the period/year | 48,463,035 | 45,872,122 | 41,916,667 | 37,267,597 | 31,384,257 | - |
| Number of Equity shares Issued during the period/year | - | 2,590,913 | 3,955,455 | 4,649,070 | 5,883,340 | 31,384,257 |
| Shares outstanding at the end of the period/ year | 48,463,035 | 48,463,035 | 45,872,122 | 41,916,667 | 37,267,597 | 31,384,257 |

NOTE:

- The above statement should be read with the para 10 of Auditors Report.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE VI

RESTATED STANDALONE STATEMENT OF TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)

Rs. in million

| Particulars | As at | | | | | |
|--|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Outstanding for a period exceeding six months from the date they are due for payment | - | - | - | - | - | - |
| Other trade receivables (less than six months) | 71.99 | 6.33 | - | - | - | - |
| Total | 71.99 | 6.33 | - | - | - | - |

NOTE:

1. The figures disclosed above are based on the restated standalone financial statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. There are no outstanding balance receivables from directors/ promoters/ associate companies/ relatives of promoter.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE VII

RESTATED STANDALONE STATEMENT OF LONG-TERM LOANS AND ADVANCES AND OTHER NON-CURRENT ASSETS

Rs. in million

| Particulars | As at | | | | | |
|--|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| A. Long-Term Loans and Advances | | | | | | |
| Unsecured, consider good | | | | | | |
| Capital Advance for Land at Khalapur | 66.76 | 66.76 | 66.76 | 66.76 | 67.66 | 67.66 |
| Security Deposits | 36.10 | 32.88 | 33.81 | 2.04 | - | 1.40 |
| Other: | | | | | | |
| Advance income tax (net) | 2.58 | 2.49 | 0.35 | - | - | - |
| Deposits with government authorities | 1.53 | 1.44 | 2.15 | - | 9.39 | - |
| Total | 106.97 | 103.57 | 103.07 | 68.80 | 77.05 | 69.06 |
| B. Other Non Current Assets | | | | | | |
| Share issue expenses | - | - | - | - | 3.64 | 3.29 |
| Total | - | - | - | - | 3.64 | 3.29 |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. There are no outstanding balance receivables from directors/ promoters/ associate companies/ relatives of promoter.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE VIII

RESTATED STANDALONE STATEMENT OF NON-CURRENT INVESTMENT

Rs. in million

| Particulars | As at | | | | | |
|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Subsidiary Company | | | | | | |
| Walk Water Properties Pvt Ltd | 4.15 | - | - | - | - | - |
| (Number of Shares 4,15,000) | | | | | | |
| Total | 4.15 | - | - | - | - | - |
| | | | | | | |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. Aggregate value of unquoted investment at cost as on September 30, 2014 is Rs 4.15 millions.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE IX

RESTATED STANDALONE STATEMENT OF SHORT-TERM LOANS AND ADVANCES AND OTHER CURRENT ASSET

Rs. in million

| Particulars | As at | | | | | |
|---|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| A. Short-Term Loans and Advances | | | | | | |
| Advance to supplier | - | - | - | - | - | 0.10 |
| Loan to Consultant | - | - | - | - | - | 0.04 |
| | | | | | | |
| Total | - | - | - | - | - | 0.14 |
| | | | | | | |
| B. Other Current Assets | | | | | | |
| Share application money | 125.00 | 125.00 | - | - | - | - |
| Custom duty refund receivable | 0.37 | 2.98 | - | - | - | - |
| Deposits-vendors secured | 20.36 | 64.48 | 36.03 | - | - | - |
| Deposit-vendors others | - | 19.97 | 52.48 | 84.83 | 0.42 | - |
| Stamp duty refund receivable | 0.95 | 2.56 | 0.95 | - | - | - |
| Advances to suppliers | 128.95 | 157.93 | 354.70 | 691.57 | 1.74 | - |
| Prepaid expenses & insurance | 12.58 | 21.43 | 20.41 | 0.98 | 0.21 | 0.35 |
| Other receivables | 8.23 | 4.75 | - | - | - | - |
| TDS 2010-2011 | - | - | - | - | 0.02 | - |
| Deposit with Government Authorities | - | - | - | - | - | 0.00 |
| | | | | | | |
| Total | 296.44 | 399.10 | 464.57 | 777.38 | 2.39 | 0.35 |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. The figure mentioned under Other receivables as at September 30, 2014 of Rs 8.23 million includes Rs 1.38 million receivable from M/s Walkwater Properties Private Ltd. our subsidiary Company.
4. The figure mentioned under Other receivables as at March 31, 2014 of Rs 4.75 million includes Rs 1.11 million receivable from M/s Walkwater Properties Private Ltd. an entity controlled by relative of Director.
5. The figure mentioned under Advance to suppliers as at March 31, 2013 of Rs 354.70 million includes Rs 3.89 million receivable from M/s Walkwater Properties Private Ltd. an entity controlled by relative of Director.
6. *Amount less than Rs 0.01 million

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE X

RESTATED STANDALONE STATEMENT OF TANGIBLE ASSETS AND INTANGIBLE ASSETS

| Particulars | As at | | | | | |
|--------------------------|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Tangible Assets | | | | | | |
| Land | 2,442.75 | 2,442.75 | 2,423.17 | 2,270.52 | 2,252.46 | 2,228.78 |
| Computer | 93.24 | 103.45 | 9.83 | 9.13 | 9.19 | 11.58 |
| Electrical Installation | 694.63 | 726.31 | - | - | - | - |
| Furniture & Fixtures | 608.80 | 608.65 | 21.21 | 6.93 | 2.46 | 0.24 |
| Office Equipments | 181.22 | 203.08 | 3.81 | 3.20 | 1.31 | 0.85 |
| Plant & Machinery | 5,362.94 | 5512.40 | 2.48 | - | - | - |
| Building | 3,135.85 | 3165.49 | - | 2.88 | - | - |
| Building Road | 29.27 | 32.53 | - | - | - | - |
| Pipes and Fitting | 27.82 | 28.37 | - | - | - | - |
| Vehicles | 23.07 | 21.28 | 15.19 | 11.89 | 1.50 | - |
| Nursery | 22.27 | 26.10 | - | - | - | - |
| Total | 12,621.86 | 12,870.41 | 2,475.69 | 2,304.55 | 2,266.92 | 2,241.45 |
| Intangible Assets | | | | | | |
| Software | 66.62 | 66.95 | 4.39 | - | - | - |
| Trade Mark | 6.04 | 6.38 | - | - | - | - |
| Total | 72.66 | 73.33 | 4.39 | - | - | - |
| Grand Total | 12,694.52 | 12,943.74 | 2,480.08 | 2,304.55 | 2,266.92 | 2,241.45 |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For A.T.Jain & Co.

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XI

RESTATED STANDALONE STATEMENT OF LONG-TERM BORROWINGS AND SHORT-TERM BORROWINGS

Rs. in million

| Particulars | As at | | | | | |
|--|---------------------------|---------------------------|---------------------------|-------------------|-------------------|-----------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Long Term Borrowings | | | | | | |
| Term Loan (Secured) | | | | | | |
| From Banks | 8,512.48 | 7,345.25 | 5,864.70 | - | - | - |
| From Financial Institutions | 914.00 | 738.06 | 524.00 | - | - | - |
| Buyers Credit from Banks | 1,385.87 | 1,357.03 | 922.23 | - | - | - |
| Less: Disclose under current liabilities | (208.36) | - | - | - | - | - |
| Total | 10,603.99 | 9440.34 | 7,310.93 | - | - | - |
| Other Loans (Unsecured) | | | | | | |
| Loans & Advances from related Party | 0.10 | 0.10 | 0.10 | 30.71 | - | - |
| Debentures (Unsecured) | | | | | | |
| - 14,39,999 0% Unsecured Compulsory Convertible Debentures of Rs. 1,000/- each | 1,440.00 | 1,440.00 | - | - | - | - |
| Total | 12,044.09 | 10,880.44 | 7,311.03 | 30.71 | - | - |
| Short Term Borrowings | | | | | | |
| Unsecured | | | | | | |
| Loans & Advances from related Party | 520.00 | 520.00 | 570.00 | - | 253.00 | 232.38 |
| Secured | | | | | | |
| From Banks | - | - | - | 1,950.13 | 201.90 | - |
| Total | 520.00 | 520.00 | 570.00 | 1950.13 | 454.90 | 232.38 |
| Rate of Interest (%) | | | | | | |
| From Banks | BR* + 2.60 to 3.00 | BR* + 2.60 to 3.00 | BR* + 2.60 to 3.00 | BR* + 3.00 | BR* + 3.00 | - |
| From Financial Institution | BR* + 2.85 | BR* + 2.85 | BR* + 2.85 | - | - | - |
| Buyers Credit | 0.48 to 3.25 | 0.48 to 3.25 | 0.48 to 3.25 | - | - | - |

*BR=Base Rate

NOTE:

- The company has mortgaged 298 acres of land with IDBI Trusteeship Services Ltd. as security for the sanctioned term loan from financial consortium with Union Bank of India as the lead banker with pari passu charge along with a charge on Fixed Assets.
- Buyer credit will be converted to Term loan when due for payment and will be repaid as per the repayment schedule of Term loan as stated herein.

| Financial Year | Repayment Amount (Rs. in million) |
|-----------------------|--|
| 2015-2016 | 416.65 |
| 2016-2017 | 471.32 |
| 2017-2018 | 942.65 |
| 2018-2019 | 942.65 |
| 2019-2020 | 997.32 |
| 2020-2021 | 1413.97 |
| 2021-2022 | 1413.97 |
| 2022-2023 | 1413.97 |
| 2023-2024 | 1413.97 |

3. During the reporting period April 1, 2013 to March 31, 2014, the Company has issued Compulsory Convertible Debentures to INDIA ADVANTAGE FUND –S3 I managed by ICICI Venture Funds Management Company Limited as per terms stated in the investment agreement dated 30th August 2013.
4. The Company had taken short term loan (for a period less than one year) of Rs.201.90 millions from Bank of Baroda during the reporting period April 1, 2010 to 31st March, 2011 as the Company was negotiating consortium loan agreement. This loan was repaid from short term loan taken from Syndicate bank in the reporting period April 1, 2011 to 31st March, 2012.
5. The Company had taken short term loan (for a period less than one year) of Rs.1950.13 millions from Syndicate Bank during the reporting period April 1, 2011 to 31st March, 2012 as the Company was negotiating consortium loan agreement. This loan was repaid from proceeds of consortium loan availed.
6. Short Term/Long Term Borrowings taken from Related Parties are interest free.
7. Short Term/ Long Term Borrowings taken from Related Parties are repayable on demand, unless otherwise invested in form of equity/ advance against equity, given or converted into share application money, and provided there is sufficient cash flows available in the company for the project and according to the terms of the lenders and investors for promoter funding.
8. While, the Common Loan Agreement signed with the Consortium does not have specific provisions to recall the loan, there are few provisions for lenders to accelerate or advance the repayment. We summarise as follows.

The Common Loan Agreement enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests, including by invoking the pledge, on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. Payment default by Borrower/ Promoters under Finance Documents, Non Payment Default by Borrower/ Promoters under the Finance Documents, Payment default by Borrower under Project Documents, Non Payment default by Borrower/ Promoters under the Project Documents, Non adherence to Financial Covenants, Non compliance with reports/ observations of Rupee Lenders' consultants, Cross Default, Failure to obtain/ Termination/ Revocation, etc., of Approvals, Project abandonment, Court Order/Government Actions, Security defaults, Supply of Misleading Information, Insolvency and Inability to Pay Debts, Insurance (non insurance/under insurance), Sale, Disposal and Removal of Assets, Material Adverse Litigations, Proceedings for Winding Up of Borrower, Proceedings for Winding Up of Promoter, Illegality, Termination of Transaction Documents, Material Adverse Effect, Extra-Ordinary Circumstances, Invalidity of Finance Documents, TRA Default, Borrower has failed to maintain the Management Control. Further, in the event the Company has sufficient cash flows to service the loans, the lenders are entitled to advance the loan repayment dates, in terms of the Common Loan Agreement. Further, any material breach of the project agreements, such as agreements for installation of rides and attractions and construction contracts, by AEL or their counter-parties that is not waived by the lenders or is otherwise not cured may also trigger default provisions under the Common Loan Agreement.

9. For details of borrowings availed from Promoters and Group companies, refer Annexure XVIII A and XVIII B.
10. The above statement should be read with the para 10 of Auditors Report.

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE XII

RESTATED STANDALONE STATEMENT OF LONG-TERM PROVISIONS

Rs. in million

| Particulars | As at | | | | | |
|--|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| – Provision for gratuity | 10.66 | 7.02 | 4.05 | 0.96 | - | - |
| – Provision for leave travel allowance | 9.94 | 8.43 | 6.34 | - | - | - |
| Total | 20.60 | 15.45 | 10.39 | 0.96 | - | - |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XIII

RESTATED STANDALONE STATEMENT OF TRADE PAYABLES, OTHER CURRENT LIABILITIES AND SHORT-TERM PROVISIONS

Rs. in million

| Particulars | As at | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | Sept 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Trade Payables | | | | | | |
| Expenses trade payable | 180.14 | 146.86 | 8.53 | 2.13 | 0.53 | 2.99 |
| Total | 180.14 | 146.86 | 8.53 | 2.13 | 0.53 | 2.99 |
| | | | | | | |
| Other Current Liabilities | | | | | | |
| - Current maturity of Long Term Debt | 208.36 | - | - | - | - | - |
| - Advance received against ticket sales | 26.46 | 1.91 | - | - | - | - |
| - Statutory dues | 14.32 | 24.29 | 26.27 | 14.83 | 2.55 | 2.65 |
| - Security deposits from sales agents | 1.5 | 0.5 | 0.60 | - | - | - |
| - Sundry creditors for land purchase | 29.25 | 29.36 | 29.95 | 61.38 | 99.33 | - |
| - Sundry creditors for capital goods and services (Refer note 3 below) | 161.33 | 238.14 | 491.87 | 106.65 | 5.41 | 340.40 |
| Other Expenses Payable | - | - | - | 0.31 | - | 0.40 |
| Interest accrued but not due on borrowing | 3.28 | 3.77 | - | - | - | - |
| Interest accrued and due on borrowing | 77.59 | 5.63 | - | - | - | - |
| Sundry Creditors Others | - | - | - | - | 2.70 | 8.91 |
| Total | 522.09 | 303.60 | 548.69 | 183.17 | 109.99 | 352.36 |
| | | | | | | |
| Short-Term Provisions | | | | | | |
| - Provision for gratuity | 0.28 | 0.05 | 0.03 | - | - | - |
| - Provision for leave travel allowance | 2.15 | - | 1.78 | 0.96 | 0.48 | - |
| - Provision for leave encashment | 0.80 | 0.51 | 1.32 | 2.02 | 1.26 | - |
| Ex-gratia Payable | - | - | - | 0.91 | 0.43 | - |
| Provision for Income Tax 2011-12 | - | - | - | 0.53 | - | - |
| Total | 3.23 | 0.56 | 3.13 | 4.42 | 2.17 | - |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of profit and loss of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. Due to micro and small enterprises as per MSMED Act, 2006 included in Sundry creditors for capital goods and services as on September 30, 2014 is Rs 0.96 millions and as on March 31, 2014 is Rs 0.96 millions.

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809
Place: Mumbai
Date: January 31st, 2015

ANNEXURE XIV A

RESTATED STANDALONE STATEMENT OF REVENUE FROM OPERATIONS

Rs. in million

| Particulars | For the period Apr 1, 2014 Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|---|---|--------------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Income from Sale of products | 712.48 | 1,016.91 | - | - | - | - |
| Income from Sale of Services | 9.20 | 20.16 | - | - | - | - |
| Revenue from operations (Net) | 721.68 | 1,037.07 | - | - | - | - |
| Details of Products sold | | | | | | |
| Tickets sales | 553.82 | 712.88 | - | - | - | - |
| Food & beverages sales | 119.80 | 240.21 | - | - | - | - |
| Merchandise sales | 38.86 | 63.82 | - | - | - | - |
| Total | 712.48 | 1,016.91 | - | - | - | - |
| Details of Sale of Services | | | | | | |
| Income from parking services | 3.92 | 9.69 | - | - | - | - |
| Income from third party logistic services | 3.88 | 6.56 | - | - | - | - |
| Income from space on hire | 0.44 | 1.95 | - | - | - | - |
| Income from lockers | 0.70 | - | - | - | - | - |
| Misc. Income | 0.26 | 1.96 | - | - | - | - |
| Total | 9.20 | 20.16 | - | - | - | - |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of profit and loss of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. As the Company has commenced commercial operation during period from April 1, 2013 to March 31, 2014 previous year's figures are not available.

For A.T.Jain & Co.

Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE XIV B

RESTATED STANDALONE STATEMENT OF OTHER INCOME

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 | Nature: Recurring / Non-recurring | Related/ Not related to business activity |
|-------------------------------------|--|--------------------|--------------|--------------|--------------|---|-----------------------------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | | | |
| Other Income | | | | | | | | |
| Income from liquid fund investments | 8.67 | 27.80 | 33.25 | - | - | - | Recurring | Not-related |
| Interest Income | 2.90 | 4.26 | - | - | - | - | Recurring | Not-related |
| Foreign exchange gain | - | - | 2.32 | - | - | - | Non-recurring | Not-related |
| Gain on sale of asset | - | 0.05 | - | - | - | - | Non-recurring | Not-Related |
| Total | 11.57 | 32.11 | 35.57 | - | - | - | | |
| | | | | | | | | |

NOTES:

1. The classification of other income as recurring/ not-recurring, related/ not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The amounts disclosed above are based on the restated standalone financial statements of profit and loss of the Company.
3. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XIV C

RESTATED STANDALONE STATEMENT OF OPERATING AND OTHER EXPENSES

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|---|--|--------------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Consumables & spares parts | 11.71 | 12.12 | - | - | - | - |
| Rent | 10.03 | 11.99 | 3.12 | - | - | - |
| Rates and taxes | 6.62 | 13.86 | 0.48 | - | - | - |
| Repairs and Maintenance (Plant & Machinery) | 32.28 | 29.04 | - | - | - | - |
| Power, fuel and water | 53.87 | 54.74 | - | - | - | - |
| Freight and forwarding expenses | 0.96 | 1.76 | - | - | - | - |
| Loss on asset discarded | - | - | - | 0.06 | - | - |
| Housekeeping expenses | 19.58 | 25.79 | - | - | - | - |
| Event & entertainment expenses | 16.11 | 21.08 | - | - | - | - |
| Advertisement and marketing expenses | 124.01 | 321.76 | 15.79 | - | - | - |
| Insurance expense | 10.47 | 8.33 | - | - | - | - |
| Communication expenses | 2.42 | 2.08 | 0.56 | - | - | - |
| Travelling and conveyance expenses | 23.22 | 23.49 | 0.08 | - | - | - |
| Payment to auditors | 0.56 | 1.14 | 0.46 | 0.53 | 0.11 | - |
| Legal and professional fees | 23.24 | 29.94 | 0.20 | - | - | - |
| Preliminary expenses | - | 10.51 | 0.57 | 4.34 | - | - |
| Expenses written off | - | - | - | 0.89 | - | - |
| Foreign exchange loss (net) | 0.46 | 2.59 | - | - | - | - |
| Discounts given | 28.30 | 47.57 | - | - | - | - |
| Commission | 14.91 | 29.80 | - | - | - | - |
| Security and safety expenses | 31.40 | 31.46 | - | - | - | - |
| Printing and stationery expenses | 3.61 | 4.62 | 0.15 | - | - | - |
| Director sitting fees | 1.04 | 0.06 | - | - | - | - |
| Other operating expenses | 10.92 | 12.67 | 5.69 | - | - | - |
| | | | | | | |
| Total | 425.72 | 696.40 | 27.10 | 5.82 | 0.11 | - |

NOTES:

1. The figures disclosed above are based on the restated standalone financial statement of profit and loss of the Company.
2. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3. Further refer point 3.2 of Annexure IVC.

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE XV

RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES

Rs. in million

| Particulars | As at | | | | | |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Sep 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Suit filed against the Company | 8.78 | - | - | - | - | - |
| Guarantees to Government | - | - | 1.40 | - | - | - |
| Total | 8.78 | - | 1.40 | - | - | - |

NOTES:

- The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XVI

RESTATED STANDALONE STATEMENT OF DIVIDEND

Rs. in million

| Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|----------------------------------|--|--------------------|--------------|--------------|--------------|---|
| | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Equity Share Capital | 484.63 | 484.63 | 458.72 | 419.17 | 372.68 | 313.84 |
| Dividend on Equity Share Capital | - | - | - | - | - | - |

NOTES:

1. The Company has not paid any Dividend for the above period.

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XVII

RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS

Rs. in million other than number of shares and NAV

| Particulars | | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|---|-------------|--|--------------------|--------------|--------------|--------------|---|
| | | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| Basic earnings per share(Refer Note 1(a)) | A/B | (11.04) | (11.23) | (0.40) | (0.17) | (0.0034) | - |
| Diluted earnings per share(Refer Note 1(b)) | A/E | (11.04) | (11.23) | (0.40) | (0.17) | (0.0034) | - |
| Net Profit after tax | A | (535.19) | (524.82) | (17.64) | (6.58) | (0.11) | - |
| Weighted average no. of equity shares outstanding during the period/year (Refer Note 2) | B | 4,84,63,035 | 4,67,45,224 | 4,39,22,486 | 3,86,52,156 | 3,19,80,549 | - |
| Net Worth at the end of the period/year | C | 2600.26 | 3,135.45 | 3,090.27 | 2,503.31 | 2,227.31 | 1,874.77 |
| Total no. of equity shares outstanding at the end of the period/year | D | 4,84,63,035 | 4,84,63,035 | 4,58,72,122 | 4,19,16,667 | 3,72,67,597 | 3,13,84,257 |
| Weighted average no. of dilutive equity shares outstanding during the period/year | E | 58,897,810* | 4,67,45,224 | 4,39,22,486 | 3,86,52,156 | 3,19,80,549 | - |
| Return on Net Worth (%) (Refer Note 1(c) below) | A/C* 100 | (20.58) | (16.74) | (0.57) | (0.26) | (0.0050) | - |
| Net asset value per equity share (in Rs.) (Refer Note 1(d) below) | C/D | 54 | 65 | 67 | 60 | 60 | 60 |

NOTES:

1. The Ratios have been computed as below:

| | |
|--------------------------------------|--|
| (a) Basic Earnings per share (Rs.) | $\frac{\text{Net profit after tax (as restated)}}{\text{Weighted average number of equity shares outstanding during the period/ year}}$ |
| (b) Diluted Earnings per share (Rs.) | $\frac{\text{Net profit after tax (as restated)}}{\text{Weighted average number of diluted equity shares outstanding during the period/year}}$ |
| (c) Return on net worth (%) | $\frac{\text{Net Profit after tax as restated}}{\text{Net worth at the end of the period/year}}$ |
| (d) Net asset value per share (Rs.) | $\frac{\text{Net worth at the end of the period/year}}{\text{Total number of equity shares outstanding at the end of the period/year}}$ |

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3. Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (Securities Premium and deficit in statement of Profit and Loss) - Share issue expenses (to the extent not written off or adjusted)
4. The figures disclosed above are based on the restated standalone financial statements of the Company.
5. The above statement should be read with the notes to restated standalone financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
6. The basic, diluted earnings per share and return on net-worth for six month period ended as on September 30, 2014 has been calculated on restated profit for six month period only and not annualized.
7. The above statement should be read with the para 10 of Auditors Report.
8. The Potential Equity shares has anti-dilutive effect, therefore the Diluted Earnings Per Share is same as Basic Earnings Per Share.
9. *Post conversion of potential equity shares (Compulsory Convertible Debentures).

For **A.T.Jain & Co.**

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XVIII

CAPITALISATION STATEMENT

Rs. in million

| Particulars | Pre IPO as at September 30, 2014 | As adjusted for IPO (Refer note 3 below) |
|---|----------------------------------|--|
| Debt | | |
| Short term debt (A) | 520.00 | [•] |
| Long term debt (B) | 12,252.46 | [•] |
| Total debt (A+B) | 12,772.46 | [•] |
| Shareholders' funds | | |
| Share Capital | 484.63 | [•] |
| Reserves and Surplus, as restated | | |
| Securities premium account | 3,199.97 | [•] |
| Deficit in the statement of profit and loss | (1084.34) | [•] |
| Total shareholders' funds (C) | 2,600.26 | [•] |
| Long term debt / equity (B/C) | 4.7120 : 1 | [•] |
| Total debt/equity [(A+B)/C] | 4.912 : 1 | [•] |

NOTES:

- The above has been computed on the basis of the restated standalone financial statements of assets and liabilities of the Company.
- The figures disclosed are based upon restated standalone financial information of the Company.
- The post issue details have not been provided as the issue price of the share is not known at the date of the report.
- Long term debt includes amount of Rs.1,440 million received from investors in form of compulsory convertible debentures, which are to be converted into equity share capital with share premium thereon prior to filing of RHP with SEBI and ROC
- Long term debt includes amount of Rs 208.36 millions which is payable within a period of 12 months from the September 30, 2014.
- Short term debt consists of loan received from promoters.
- For details of borrowings availed from Promoters and Group companies, refer Annexure XXA and XXB.
- For details of reserves and surplus, significant changes in share capital, and long term borrowings and short term borrowings with notes thereto, refer Annexure V A, V B and Annexure XI respectively.
- The above statement should be read with the para 10 and 11 of Auditors Report.

For A.T.Jain & Co.

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XIX

RESTATED STANDALONE TAX SHELTER STATEMENT

Rs. in million

| | Particulars | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | For the period Feb 10, 2010 to Mar 31, 2010 |
|----------|---|--|--------------------|----------------|--------------|--------------|---|
| | | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | |
| A | Restated profit before tax | (862.14) | (660.88) | (25.07) | (5.82) | (0.11) | - |
| B | Tax rate | 33.99% | 33.99% | 32.45% | 33.99% | 33.99% | 33.99% |
| C | Tax thereon at the above rate (A x B) | - | - | - | - | - | - |
| D | Permanent differences | | | | | | |
| | Expense disallowed under IT Act | - | 7.18 | 1.05 | 5.82 | 0.11 | - |
| | Interest Income | (2.90) | (4.25) | - | - | - | - |
| | Income on Mutual Fund | (8.67) | (27.80) | - | - | - | - |
| | Prior period item | - | 3.72 | - | - | - | - |
| | Share Issue Expense | - | 10.51 | - | - | - | - |
| | Gain on Fixed asset sold | - | (0.06) | - | - | - | - |
| | Total (D) | (11.57) | (10.70) | 1.05 | 5.82 | 0.11 | - |
| E | Timing Difference | | | | | | |
| | Expense allowed u/s 35D of IT Act | (1.00) | (0.04) | - | - | - | - |
| | Expenditure allowed on payment basis | 5.68 | 16.01 | - | - | - | - |
| | Interest Income Capitalised in the book of Accounts but offer to tax under Income tax Act | - | - | 3.48 | 2.31 | - | - |
| | Exchange difference | - | 2.57 | (2.32) | - | - | - |
| | Difference in depreciation as per Companies Act and Income Tax Act | (306.54) | (429.30) | (0.13) | - | - | - |
| | Total (E) | (301.86) | (410.76) | 1.03 | 2.31 | - | - |
| F | Net Adjustment (D + E) | (313.43) | (421.46) | 2.08 | 8.13 | 0.11 | - |
| G | Profit/(Loss) as per Income Tax Act | (1,175.57) | (1082.34) | (23.00) | 2.31 | - | - |
| | Tax expense / (saving) thereon | - | - | - | 0.76 | - | - |
| H | Total tax on profits (C + G) | - | - | - | 0.76 | - | - |
| | Minimum Alternate Tax | | | | | | |
| | Restated Book Profit | (862.14) | (660.88) | (25.07) | (5.82) | (0.11) | - |
| I | Tax liability as per MAT | - | - | - | - | - | - |
| J | Tax liability being higher of H or I | - | - | - | 0.76 | - | - |

For **A.T.Jain & Co.**
Firm Registration No.:103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 33809

Place: Mumbai
Date: January 31st, 2015

ANNEXURE XXA

RESTATED STANDALONE STATEMENT OF RELATED PARTY TRANSACTIONS

List of related parties and transactions as per requirements of Accounting Standard - 18, 'Related Party Disclosures'

Rs. in million

| Name of Related Party | Relationship | Nature of Transaction | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | |
|---|---|--|--|--------------------|--------------|--------------|--------------|--------------|
| | | | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| M/s. Thrill Park Ltd. | Holding Company | Long Term Borrowing | - | - | - | - | 20.76 | 33.01 |
| | | Land Purchased | - | - | 43.15 | - | - | - |
| | | Share Issued (Incl premium) | - | 450.00 | 99.60 | 278.94 | 353.00 | 1878.06 |
| | | Advance against equity | - | - | 69.00 | - | 31.96 | 33.50 |
| | | Short Term Borrowing | - | 70.00 | - | - | - | - |
| Dream Estates | Entity controlled by Director/Promoter | Land Purchased | - | - | 46.20 | - | - | - |
| Mr. Manmohan Shetty | Key Managerial Personnel | Share Issued (Incl premium) | - | 120.00 | - | - | - | 0.01 |
| | | Short Term Borrowing | - | - | 570.00 | - | - | - |
| | | Rent paid | 8.24 | 29.97 | 27.25 | - | - | - |
| | | Royalty | 0.06 | 0.48 | - | - | - | - |
| | | Security Deposit | - | - | 24.25 | - | - | - |
| Miss. Aarti Shetty (upto 25/03/2013) | Key Managerial Personnel | Share Issued (Incl premium) | - | - | - | - | - | 0.01 |
| | | Remuneration | - | - | 7.18 | - | - | - |
| Miss. Aarti Shetty | Relative | Consultancy | 1.35 | 2.17 | - | - | - | - |
| | | Shares of Walkwater Properties Pvt Ltd purchased | 0.05 | - | - | - | - | - |
| Mr. Kapil Bagla | Key Managerial Personnel | Share Issued (Incl premium) | - | - | - | - | - | *0.00 |
| | | Remuneration | 4.23 | 7.85 | 7.75 | 5.40 | 5.54 | - |
| Mr. Rajeev Jalnapurkar | Key Managerial Personnel | Share Issued (Incl premium) | - | - | - | - | - | *0.00 |
| | | Remuneration | - | - | - | 2.01 | 4.97 | 0.99 |
| Mrs. Shashikala Shetty | Relatives | Share Issued (Incl premium) | - | - | - | - | - | 0.02 |
| Walkwater Properties Pvt Ltd (upto 11/09/2014) | Entity controlled by Relative of Director | Rent paid | - | 6.07 | 6.07 | - | - | - |
| | | Reimbursements of expense | - | *0.00 | 3.89 | - | - | - |
| | | Security Deposit | - | - | 5.40 | - | - | - |
| | | Other Receivable | 0.27 | - | - | - | - | - |
| Walkwater Properties Pvt Ltd (w.e.f 11/09/2014) | Subsidiary Company | Subscription of shares | 4.05 | - | - | - | - | - |

| Name of Related Party | Relationship | Nature of Transaction | For the period Apr 1, 2014 to Sep 30, 2014 | For the year ended | | | | |
|------------------------|--------------------------|--|--|--------------------|--------------|--------------|--------------|--------------|
| | | | | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| Mrs. Pooja Deora | Relatives | Consultancy | 1.68 | 2.55 | 3.36 | - | - | - |
| | | Shares of Walkwater Properties Pvt Ltd purchased | 0.05 | - | - | - | - | |
| Mr. Harjeet Chhabra | Key Managerial Personnel | Remuneration | 2.77 | - | - | - | - | - |
| Mr. Vincent Pijnenburg | Key Managerial Personnel | Remuneration | 3.12 | 5.25 | - | - | - | - |

NOTES:

1. *Amount less than Rs 0.01 million

For A.T.Jain & Co.

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

ANNEXURE XXB

STATEMENT OF OUTSTANDING BALANCES FROM RELATED PARTIES

Rs. in million

| Name of Related Party | Relationship | Nature | As at | | | | | |
|---|---|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | | Sep 30, 2014 | Mar 31, 2014 | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 | Mar 31, 2010 |
| M/s. Thrill Park Ltd. | Holding Company | Long Term Borrowing | 0.10 | 0.10 | 0.10 | 30.70 | 253.00 | 232.38 |
| | | Short Term Borrowing | 70.00 | 70.00 | - | - | - | - |
| Mr. Manmohan Shetty | Key Managerial Personnel | Short Term Borrowing | 450.00 | 450.00 | 570.00 | - | - | - |
| | | Security Deposit | 24.25 | 24.25 | 24.25 | - | - | - |
| Pooja Deora | Relative | Current Liabilities | 0.52 | - | - | - | - | - |
| Aarti Shetty | Key Managerial Personnel | Current Liabilities | 0.42 | - | - | - | - | - |
| Walkwater Properties Pvt Ltd (upto 11/09/2014) | Entity controlled by Relative of Director | Other Receivable | - | 1.11 | - | - | - | - |
| | | Advance to Suppliers | - | - | 3.89 | - | - | - |
| | | Security Deposit | - | 5.40 | 5.40 | - | - | - |
| Walkwater Properties Pvt Ltd (w.e.f 11/09/2014) | Subsidiary Company | Non current Investment | 4.15 | - | - | - | - | - |
| | | Other Receivable | 1.38 | - | - | - | - | - |
| | | Security Deposit | 5.40 | - | - | - | - | - |

NOTES:

1. Short Term/Long Term Borrowings taken from Related Parties is interest free.
2. Short Term/ Long Term Borrowings taken from Related Parties are repayable on demand, unless otherwise invested in form of equity/ advance against equity, given or converted into share application money, and provided there is sufficient cash flows available in the company for the project and according to the terms of the lenders and investors for promoter funding.

For A.T.Jain & Co.

Firm Registration No.:103886W

Chartered Accountants

Sushil Jain

Partner

Membership No: 33809

Place: Mumbai

Date: January 31st, 2015

FINANCIAL INDEBTEDNESS

The details of indebtedness of our Company as at December 31, 2014, together with a brief description of certain material covenants of the relevant financing agreements, are provided below:

| Sr. No. | Lenders | Particulars of the documentation | Amount Sanctioned as on December 31, 2014 (in ₹ Million) ⁽¹⁾ | Amount availed of and outstanding as on December 31, 2014 (in ₹ million) ⁽¹⁾ | Interest rate/ Commission rate (% per annum) | Security, undertakings by promoters, financial covenants and other salient conditions | Purpose | Repayment Schedule |
|---------|--|--|---|---|--|---|---|---|
| 1. | Bank of Baroda (“BOB”), Bank of India (“BOI”), Central Bank of India (“CBI”), Corporation Bank (“CB”), Dena Bank (“DB”), Indian Overseas Bank (“IOB”), Jammu and Kashmir Bank (“J&K Bank”), Life Insurance Corporation of India (“LIC”), Punjab & Sind Bank (“PSB”), Syndicate Bank (“SB”), Tourism Finance Corporation of India (“TFCI”), Union Bank of India (“UBI”), and Vijaya Bank (“VB”) | Common Loan Agreement dated March 20, 2012 and the sanction letters issued by each of the Consortium Lenders | Aggregate amount: 11,000.00 ⁽³⁾ | 10,865.19 | Base rate (%) (“BR”), Basis points (“bps”) | See Note 1. | The development of the Project and repayment/ pre-payment of the Short Term Loan. | Our Company shall repay the Consortium Loan in 108 monthly repayment instalments as specified in the amortisation schedule. The last repayment instalment shall be paid on March 31, 2024. ⁽²⁾ |
| | | | BOB: 1,000.00 | 981.43 | BR 10.25 + 275 bps = 13.00 | | | |
| | | | BOI: 750.00 | 743.23 | BR 10.20 + 275 bps = 12.95 | | | |
| | | | CBI: 650.00 | 651.56 | BR 10.25 + 275 bps = 13.00 | | | |
| | | | CB: 850.00 | 840.32 | BR 10.25 + 285 bps = 13.10 | | | |
| | | | DB: 560.00 | 554.95 | BR 10.25 + 285 bps = 13.10 | | | |
| | | | IOB: 1,150.00 | 1,173.45 | BR 10.25 + 285 bps = 13.10 | | | |
| | | | J&K Bank: 850.00 | 847.67 | BR 10.25 + 300 bps = 13.25 | | | |
| | | | LIC: 550.00 | 523.80 | UBI BR 10.25 + 285 bps = 13.10 | | | |
| | | | PSB: 650.00 | 651.15 | BR 10.25 + 285 bps = 13.10 | | | |
| | | | SB: 650.00 | 659.68 | BR 10.25 + 275 bps = 13.00 | | | |
| | | | TFCI: 400.00 | 390.26 | UBI BR 10.25 + 285 bps = 13.10 | | | |
| | | | UBI: 2,380.00 | 2,285.44 | BR 10.25 + 285 bps = 13.10 | | | |
| | | | VB: 560.00 | 562.26 | BR 10.25 + 285 bps = 13.10 | | | |

- (1) *As certified by A.T. Jain & Co., Chartered Accountants, Statutory Auditors of our Company, through their certificates, each dated January 31, 2015. Further, the Statutory Auditors have confirmed that as at December 31, 2014, our Company has utilised the Consortium Loan for the purpose for which the Consortium Loan was availed.*
- (2) *However, to the extent our Company has sufficient cash flows to service the Consortium Loan, the Consortium Lenders shall be entitled to advance the repayment dates, as specified in the Common Loan Agreement. In addition, our Company has, through its application dated March 22, 2014 sought the approval of the Consortium Lenders for extension of the commissioning schedule of Adlabs Mumbai to April 1, 2015. Pending the receipt of certain outstanding consents, the moratorium is currently in effect and our Company has agreed to commence repayment of the outstanding principal amount from April 30, 2015.*
- (3) *The aforesaid amounts sanctioned also include sub-limit amounts sanctioned towards letters of credit ("LC"), buyer's credit ("BC") and bank guarantee facilities as per the details mentioned below:*

| Sr. No. | Consortium Lender | Amount (in ₹ million) |
|---------|-------------------|--------------------------|
| 1. | IOB | 399.70 |
| 2. | J&K Bank | 850.00 |
| 3. | SB | 500.00 |
| 4. | UBI | 2,380.00 |
| | Total | 4,129.70 |

Note 1:

This note sets out the details in relation to the assets forming part of security, the financial covenants and the undertakings and certain other salient conditions as set out in the Common Loan Agreement. Some of these may be common across all facilities, and some of them may be specific to a particular facility or facilities.

The Consortium Loan is secured by:

- (a) A first mortgage and charge on all immovable properties of our Company pertaining to the Project being developed, including the land used for the Project, both present and future.
- (b) A first charge on all the tangible movable assets of our Company pertaining to the Project, including movable equipments, plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future.
- (c) A first charge on our Company's book debts, operating cash flows, receivables, commissions and revenues, bank accounts, all funds from time to time deposited therein, and all permitted investments.
- (d) A first charge on all the intangibles of our Company, including but not limited to goodwill, rights, undertakings and uncalled capital, both present and future.
- (e) A first charge on all current assets of our Company, both present and future.
- (f) A first charge of an assignment by way of security of the right, title, interest, benefits, claims and demands, of our Company in:
 - the Project documents, duly acknowledged and consented to by the relevant counter-parties to such Project documents, both present and future;
 - all approvals and insurance contracts, both present and future; and
 - any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond and any other security provided by any counter party to the Project documents.
- (g) Pledge of Equity Shares held by Thrill Park aggregating to 51% of the fully paid up equity share capital of our Company (the "AEL Share Pledge"), until the commencement of commercial operations of the Project ("COD"). Immediately thereafter, in the absence of any outstanding event of default, the AEL Share Pledge shall be reduced to 30% until the Final Settlement Date (as defined hereinafter).
- (h) Pledge of equity shares of Thrill Park held by Manmohan Shetty aggregating to 51% of the fully paid up equity share capital of Thrill Park (the "TPL Share Pledge") until COD. Immediately thereafter, in the absence of any outstanding event of default, the TPL Share Pledge shall be reduced to 30% until the Final Settlement Date.
- (i) An irrevocable, unconditional, joint and several guarantees by Manmohan Shetty, Aarti Shetty and Thrill Park, guaranteeing to cover any shortfall in the amount payable in respect of the Consortium Loan in the event of failure to do so by our Company.

The aforesaid mortgages, charges, assignments and guarantees shall in all respects rank pari-passu inter-se among the Consortium Lenders, without any preference of one over the other, for the purpose of the Common Loan Agreement.

Promoters' and Aarti Shetty's undertakings

Our Promoters and Aarti Shetty have provided certain undertakings, which are set out below:

- (a) They shall arrange the equity contribution from time to time, so that the debt to equity ratio of our Company is maintained as agreed by the parties.
- (b) They shall provide additional funds to our Company by way of subscription to the Equity Share capital of our Company, unsecured loans, or otherwise in addition to the required equity contribution, to meet

any shortfall, if any, in meeting the means of finance for implementation of the Project or in the event of the event of a cost overrun, in a manner acceptable to the Consortium Lenders. Such additional funds are to be provided without any recourse to the Consortium Lenders and/ or the assets pertaining to the Project.

- (c) They shall not transfer, sale, pledge, alienate or otherwise dispose of their respective Equity Shares in our Company, except as permitted.

Further, in terms of the Common Loan Agreement, Thrill Park has undertaken that it shall not register or recognise the transfer of its equity shares held by Manmohan Shetty and Aarti Shetty. Similarly, Manmohan Shetty and Aarti Shetty have undertaken that they shall not transfer, sale, pledge, alienate or otherwise dispose of their respective equity shares in Thrill Park, except as permitted.

Financial Covenants

Our Company shall maintain:

- (a) Debt service coverage ratio ("DSCR") of not less than 1.24. In the event the DSCR falls below 1.24, then our Company shall be liable to pay a penal interest of 1% per annum, in addition to the applicable interest rates.
- (b) Fixed asset coverage ratio ("FACR") of not less than 1.47. In the event the FACR falls below 1.47, then our Company shall be liable to pay a penal interest of 1% per annum, in addition to the applicable interest rates.
- (c) Debt to equity ratio of 2:1 for the Project.

Restrictive covenants under the Common Loan Agreement

The Common Loan Agreement includes various restrictive conditions and covenants in relation to certain actions to be undertaken by our Company. During the currency of the Consortium Loan, our Company is either required to obtain prior approval of the Consortium Lenders or satisfy certain specified conditions before undertaking certain corporate actions or, intimate the lenders subsequently. For instance, our Company is prohibited from, or required to obtain prior written consent of some of Consortium Lenders, including:

- (a) To make the following restricted payments:
 - to authorise, declare or pay dividends, interest and other distributions (in cash, property or obligations) or return of the share capital of our Company;
 - to redeem, retire, purchase or otherwise acquire, directly or indirectly any share capital of our Company or any warrants of options thereof; and
 - to repay monies brought in by the Manmohan Shetty, Aarti Shetty and Thrill Park, Directors or other persons.
- (b) To change its name or the location of its offices.
- (c) To let the debt to equity ratio of our Company fall below the ratio of 2:1.
- (d) To induct a person on its Board of Directors who is a director on the board of a company whose name is on the list of defaulters of RBI and/or CIBIL and/or any other agency.
- (e) To change its management control until the date on which all secured obligations of our Company are discharged to the satisfaction of the Consortium Lenders ("Final Settlement Date").
- (f) To ensure that the majority of directors on its Board are retained by the Manmohan Shetty, Aarti Shetty and Thrill Park.
- (g) To effect or agree to affect any change in its capital structure including in the equity and debt patterns.
- (h) To take any action of merger, consolidation, reorganisation, reconstruction or amalgamation.

- (i) To acquire all or parts of the assets of any person on lease or otherwise, or any class of shares or debentures or partnership interest or similar interest of any person.
- (j) To issue debentures or invest by way of subscription to share capital of any person.
- (k) To lend or advance funds or place deposits with any person including group companies.
- (l) To convey, sell, lease, transfer or otherwise dispose of or mortgage or otherwise charge all or any part of the assets, including land pertaining to the Project.
- (m) To agree to create any charge, encumbrance or third party interest on or in any of its assets or secured property, including escrowing or charging the receivables in favour of any person.
- (n) To materially alter the scope of the Project.
- (o) To cancel or terminate any material Project documents.
- (p) To directly or indirectly, create, incur, contract, assume or suffer or otherwise become or be liable for any debt, secured or not.
- (q) To incur any contractual obligation, including guarantees, which could be prejudicial to the financial condition of our Company.
- (r) To abandon or agree to abandon the Project.
- (s) To amend its Articles and Memorandum of Association in any manner, other than as specified.
- (t) To prepay any financial assistance or debt, including the Consortium Loan, except as specified.
- (u) To extend any financial assistance to Manmohan Shetty, Aarti Shetty and Thrill Park.
- (v) To pay any commission to Manmohan Shetty, Aarti Shetty and Thrill Park, Directors, managers, or other persons having substantial interest in our Company for furnishing guarantees, counter guarantees or indemnities.
- (w) To receive any funding from the Manmohan Shetty, Aarti Shetty and Thrill Park and/or any of the Directors / associate companies and/or their friends or relatives except as permitted.
- (x) To undertake drastic change in management.
- (y) To recognise or register any transfer of shares in respect of 51% of the issued and subscribed equity share capital of our Company held by the Manmohan Shetty, Aarti Shetty and Thrill Park and undertake any changes in its shareholding structure.
- (z) To give any lender preferential treatment.
- (aa) To open any other bank account or operate such other bank account other than approved by the lenders' agent.
- (bb) To undertake any new project.

Pre-payment Premium

Our Company may pre-pay the Consortium Loan prior to its repayment date, by giving a 30 day prior notice, along with the details of the amount proposed to be pre-paid. Further, such pre-payment shall be subject to the applicable pre-payment premium prescribed by the Consortium Lenders.

Our Company may pre-pay the Consortium Loan without the pre-payment premium in the event the pre-payment is made by our Company out of its surplus cash as specified or within a period of 30 days from the first interest reset date or the interest reset date, as the case may be, with providing the necessary notice to the Consortium Lenders. Further, pre-payment of any or all of the Consortium Loan shall be undertake on a pro-rata basis.

Unsecured Loans from our Promoters

In addition to the above mentioned borrowings, our Promoters, Thrill Park and Manmohan Shetty have provided our Company interest free unsecured loans aggregating to ₹ 70 million and ₹ 450 million, in principal amount, respectively, as on December 31, 2014, which may be accelerated on demand. Further, except as set out in the section “Consolidated Financial Statements” on page 194, our Company does not have any inter-corporate deposits.

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 and for the six months ended September 30, 2014, as of and for the financial years ended March 31, 2014, 2013 and 2012, and the related notes. Our audited financial statements are prepared in accordance with Indian GAAP, which differs in certain material respects with IFRS and U.S. GAAP. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12 month period ended March 31 of that year. This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under the sections "Forward-looking Statements" and "Risk Factors" included elsewhere in this Red Herring Prospectus.

Overview

We own and operate, Imagica – The Theme Park, which is one of the leading theme parks in India. Our theme park features a diverse variety of rides and attractions of international standards, food and beverages ("F&B") outlets and retail and merchandise shops, designed to appeal to a broad demography of the Indian populace, delivering memorable experiences, with a strong value proposition. Imagica – The Theme Park, is a part of Adlabs Mumbai, a 'one-stop' entertainment destination that we intend to offer at this location. Adlabs Mumbai also includes Aquamagica, a water park, which became fully operational on October 1, 2014, and a family hotel, Novotel Imagica Khopoli, the first phase of which is expected to be completed by March 2015. Adlabs Mumbai, spread over an aggregate area of approximately 132 acres, is located at Khalapur, which is 74 kilometres from Mumbai, off the Mumbai – Pune Expressway.

Imagica – The Theme Park has 25 rides and attractions, which are spread over six theme-based zones. We also offer entertainment through live performances by acrobats, magicians, dancers, musicians and other artists throughout the day in various parts of our theme park. In Imagica – The Theme Park, we own and operate an array of F&B outlets. Our retail and merchandise offerings provide our guests an opportunity to memorialise their experiences at the theme park by purchasing products such as toys, apparel, bags, caps and commemorative mementos and photographs, which carry the 'Imagica' brand or are based on one of the rides or attractions in our theme park.

Imagica – The Theme Park, became fully operational on November 1, 2013. For a period of approximately six months prior to November 1, 2013, some of the rides and attractions in our theme park were open to the public. The total number of guests hosted at our theme park for the twelve months ended December 31, 2014 was 912,061. We hosted 11,933 guests on December 20, 2013, the highest number of guests hosted by us in a day since our theme park became fully operational.

Aquamagica, our water park located adjacent to our theme park, became fully operational on October 1, 2014. For a period of six days prior to October 1, 2014, some of the rides and attractions in our water park were open to the public. It offers 14 kinds of water slides and wave pools. Our objective is to take advantage of cross selling opportunities offered by these two different entertainment experiences. We intend to position Aquamagica as a destination for young party-goers and host Bollywood and electronic dance music events where popular Indian and international artists and DJs perform at our '#gowiththeflow' weekend events. For the period commencing on September 25, 2014, when some of the rides and attractions were open to the public, up to December 31, 2014, the total number of guests hosted at our water park was 90,940.

The first phase of our proposed 287 key hotel, to be called Novotel Imagica Khopoli, comprising of 116 keys, is expected to be completed by March 2015 and will include facilities such as banquet halls, conference rooms, specialty restaurants, recreation areas, a swimming pool, a spa, a kids' activity centre and a fitness centre to cater to varying entertainment requirements of our guests.

For the financial year ended March 31, 2014, our total income and our loss after tax was ₹ 1,069.18 million and ₹ 524.82 million, respectively. Our revenue from the sale of admission tickets, which was for a period of five months from November 1, 2013 (when our theme park became fully operational) to March 31, 2014, from our F&B operations and from our retail and merchandise operations was ₹ 712.88 million, ₹ 240.21 million and ₹ 63.82 million, respectively. For the six months ended September 30, 2014, our total income and our loss after tax was ₹ 733.25 million and ₹ 535.29 million, respectively. Our revenue from the sale of admission tickets, from our F&B operations and from our retail and merchandise operations for the six months ended September

30, 2014 was ₹ 553.82 million, ₹ 119.80 million and ₹ 38.86 million, respectively

Significant Factors Affecting Our Results of Operations and Financial Condition

Number of Guests Hosted at our Parks

Our results of operations are and will be driven primarily by the number of guests hosted at our parks. The number of guests hosted at our parks is a function of many factors, including the ticket price, sales and marketing initiatives, opening of new rides and attractions, weather, disposable income, competitive offerings and consumer tastes, preferences and confidence. We carry out research and analysis before developing new rides and attractions and often invest substantial amounts to gauge the extent to which these new rides and attractions will earn consumer acceptance. We believe that with the recent launch of our water park and our hotel, the first phase of which is expected to be completed by March 2015, we will be able to attract more guests to Adlabs Mumbai with the completion of as we will be able to position Adlabs Mumbai as a one stop destination for varying customer requirements, including for entertainment, corporate meetings and off-sites, weddings and other events.

Per Capita Spending by Guests

Our results of operations are and will be dependent on the amount of per capita spending which includes admission ticket and F&B and retail and merchandise purchases inside our parks.

We offer multiple types of admission tickets. We provide discounts, actively run promotions and use dynamic pricing models to adjust to changes in demand during targeted periods to maximise revenue and manage capacity.

The per capita spending inside our parks is dependent on pricing, acceptability and range and launch of new F&B, retail and merchandise offerings, the mix of guests and the mix of in-park spending. Discretionary consumer spending is influenced by general economic conditions and the availability of disposable income. Favourable macroeconomic and demographic factors such as economic growth, rising disposable incomes, young population, expanding middle class and rapid urbanisation have resulted in Indian populace exhibiting propensity for increased discretionary spending on entertainment. With the rise in education levels and increasing international exposure, we believe that the Indian consumers have indicated a willingness to pay a premium for quality entertainment options.

Seasonality

The theme and water park industry is seasonal in nature. Attendance at our parks is likely to be affected by factors such as school examinations and vacations, public holidays, festivals, weekends and weather conditions such as monsoons. We believe that attendance at the theme and water park and revenues from F&B and retail and merchandise operations is, and will continue to be, higher during school vacations, public holidays and weekends. In addition, our proposed water park is expected to generate higher revenues in the summer months. Conversely, our revenues may decrease during the monsoon or off-peak months. We carry out promotional activities and offer dynamic pricing during the off-peak months. Further, unfavourable weather conditions such as forecasts of excessive rainfalls may reduce the attendance at our parks for such periods. The majority of our rides, attractions and queuing and waiting areas in our theme park are covered to avoid any inconvenience during the monsoon or the summer seasons.

Capital Requirements and Availability of Funding

We operate in a capital-intensive industry with relatively long gestation periods. A critical factor for the success of a park is the uniqueness and novelty of its rides and attractions. Accordingly, we are required to undertake capital expenditure on a regular basis to enhance the guest experience of our existing rides and attractions and introduce new offerings. Our financing requirements are primarily for land acquisition for the park, the cost of development of rides and attractions and working capital. Our capital expenditure plans in the near future include the development of a theme park in Hyderabad and adding three to four rides and attractions over the next five years including one major ride or attraction every two years at Adlabs Mumbai. Our ability to grow our business also depends on cost effective avenues of funding and will be met through internal accruals, infusion of equity capital or borrowings from financial institutions. Our debt service cost along with our overall cost of funds depends on many external factors, including the availability of adequate liquidity in the credit market and in particular, interest rate movement, since most of our indebtedness is at floating rates. Our ability to finance our capital needs, and secure other financing when needed, on acceptable terms, is a key factor in the

operation of our business.

Operating Leverage

Our business involves a fixed cost-base and a high operative leverage. A large portion of our expenses are relatively fixed because the cost of operations of the parks, the salaries of full-time employees, operations and maintenance costs, power costs, security and insurance do not vary significantly with attendance. Our results of operations will depend on our ability to effectively manage such costs. These effects could be particularly pronounced during periods of economic contraction, bad weather or any other adverse development. If cost-management efforts are insufficient to offset any decline in revenues or are impracticable, we could experience a decline in margins, profitability and reduced or negative cash flows.

We may also, in the future, be required to comply with more rigorous standards or other requirements prescribed by various regulatory or other statutory authorities, or incur capital and operating expenses. The costs of complying with such regulations could be significant.

Our Critical Accounting Policies

Basis of Preparation

Our restated consolidated financial statements have been prepared in accordance with the Companies Act and the SEBI ICDR Regulations on the basis of our audited consolidated statement of assets and liabilities as of September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and our audited consolidated statement of profits and losses and cash flows for the six months ended September 30, 2014, for the financial years 2014, 2013, 2012, 2011 and for the period ended March 31, 2010. We have one subsidiary, Walkwater Properties Private Limited, which was acquired by our Company on September 11, 2014. Our financial statements as of and for the six months ended September 30, 2014 include the results of operations of the subsidiary.

Our consolidated financial statements have been prepared on the following basis:

- In respect of the subsidiary, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like item of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions in accordance with Accounting Standard 21 - "Consolidated Financial Statements".
- The excess of cost to our Company of its investment in the subsidiary over our Company's share of net assets of the subsidiary is recognised in the financial statements as goodwill, which is tested for impairment at each balance sheet date. The excess of our Company's share of net assets of the subsidiary over the cost of acquisition is treated as capital reserve.
- The results of operations of the subsidiary have been included in our consolidated financial statements from the date on which the parent-subsidiary relationship came into existence.

Our interim financial statements have been prepared in accordance with Accounting Standards 25 on Interim Financial Reporting in accordance with the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act. Our financial statements have been prepared under the historical cost convention method on an accrual basis.

Statement of Significant Accounting Policies

Use of Estimates

The presentation of the financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known or materialised.

Fixed Assets and Depreciation

Fixed assets are valued at cost less the accumulated depreciation, with all cost comprising purchase prices. Duties and levies attributable to the fixed assets are capitalised.

Costs including interest and financing costs, test and trial run costs until the commencement of commercial operations of our theme park were capitalised. Net charges on foreign exchange contracts and adjustments arising from exchange rate variations for such periods were also capitalised.

Depreciation is charged on the straight line method by the Company in accordance with the rate and in the manner specified in Schedule II of the Companies Act, 2013 or on the basis of the useful lives of the assets as estimated by management, whichever is lower.

Inventories

Inventories are valued at cost with F&B items valued on a weighted average basis.

Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when we have a present obligation as a result of a past event and 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 determined based on the best estimate required to settle the obligation at the balance sheet date. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economics benefit is remote. A contingent asset is neither recognised nor disclosed.

Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year-end or period end in respect of monetary assets and monetary liabilities not covered by the forward contracts are transferred to profit & loss account except for long term foreign currency monetary items.

In accordance with paragraph 46A of Account Standard -11, we add or deduct the exchange fluctuation from the cost of assets including mark to market changes for the purpose of reporting long term foreign currency monetary item utilised for acquiring such fixed assets. The fluctuation capitalised is amortised over the balance useful life of the fixed assets.

Borrowing Cost

Borrowing costs that are attributable to acquisition and construction of qualifying assets are capitalised till the asset is put to use. All other borrowing costs are recognised as expenditure in the period in which they are incurred.

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalised up to the date the asset is put to use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the qualifying asset.

Changes in Accounting Policies

Change in Depreciation Policy from Written Down Value Method to Straight Line Method.

During the financial year 2014, our Company changed the method of depreciation from the written-down value method to the straight-line method. The depreciation figures appearing in the audited financial statements for the financial years 2013, 2012 and 2011 and for the period ended March 31, 2010 were restated to provide for the impact in each of the respective financial years due to the change in method of depreciation. The net block of fixed assets in each of the financial years 2013, 2012 and 2011 and the period ended March 31, 2010 and the depreciation cost in our profit and loss statement for the financial year 2014 and 2013 has been accordingly changed in our restated financial statements. As a result, our depreciation cost for the financial years 2014 and 2013 increased by ₹ 0.02 million and decreased by ₹ 0.02 million, respectively.

Change in Revenue Recognition Policy for Open Pass, Gift Passes and Open Day Tickets

During the six months ended September 30, 2014, the Company changed its accounting policy for recognizing revenue from sale of open passes, gift passes and open-day tickets (with all days validity), which are non-refundable in nature. During the financial year 2014, revenue from sale of such passes and tickets were recognized when they were sold or booked. We now recognize these revenue when such passes and ticket are utilized or have expired. As a result, our income for the financial year 2014 was reduced by ₹ 0.95 million.

Presentation and disclosure of financial statements

During the six months ended September 30, 2014, Schedule III of the Companies Act, 2013 became applicable for the preparation and presentation of our financial statements. Accordingly, we prepared the financial statements for the financial year ended March 31, 2014 in accordance with Schedule III of the Companies Act, 2013. The adoption of Schedule III of the Companies Act, 2013 does not impact recognition and measurement principles followed for preparation of financial statements. We have reclassified the figures for the financial years 2013, 2012, 2011, and for the period ended March 31, 2010 in accordance with the requirements of Schedule III, Companies Act, 1956.

Revenue Recognition

We have different revenue recognition policies for our various operating segments:

Tickets

Revenues from ticket sales are recognised when the tickets are issued.

Revenue from sale of open passes, gift passes or open-day tickets (with 'all days' validity) and which are non-refundable in nature are recognised when such passes are utilized or have expired.

Food & Beverages

Revenue is recognised when the F&B items are sold. Sales are inclusive of VAT.

Merchandise

Retail sale are recognised on delivery of the merchandise to the customer, when the property in goods and significant risk and rewards are transferred for a price and no effective ownership control is retained.

Others

The revenue is recognised on accrual basis and when significant risk and rewards are transferred.

Segment Information

Our financial statements are prepared and presented in four business segments:

- sale of admission tickets (comprising theme park tickets only, as our water park became fully operational on October 1, 2014);
- food and beverages;
- merchandise; and
- other operations, which relate to income from parking charges, third party logistics services, income from space on hire and other miscellaneous income.

Our segment-wise total income and results, before interest and tax, are presented below for the six months ended September 30, 2014:

| Particular | Sale of Admission Tickets | | Food & Beverages | | Merchandise | | Other Operations | | Un-allocable | | Total |
|--|------------------------------|---------------|------------------------------|---------------|------------------------------|---------------|------------------------------|---------------|------------------------------|---------------|---------------------------|
| | Amount (₹ in millions) | % of Total | Amount (₹ in millions) | % of Total | Amount (₹ in millions) | % of Total | Amount (₹ in millions) | % of Total | Amount (₹ in millions) | % of Total | Amount (₹ in millions) |
| Segment Revenue | 553.82 | 75.8 | 119.80 | 16.4 | 38.86 | 5.3 | 9.20 | 1.3 | 8.67 | 1.2 | 730.35 |
| Segment Result before Interest and Taxes | (321.41) | — | 22.70 | — | (0.69) | — | (13.11) | — | (12.43) | — | (324.94) |
| | | | | | | | | | | | |

Revenue and Expenditure

Our revenue and expenditure is reported in the following manner:

Income

Total revenue consists of revenue from operations and other income.

Revenue from Operations. Revenue from operations comprises income from the sale of products and income from sale of services. Sale of products includes:

- ticket sales; and
- F&B revenue and merchandise sales.

Income from sale of services includes:

- income from parking charges and third party logistic services;
- income from space on hire which relates to rental income from banquet room, conference room and the ATM inside Adlabs Mumbai; and
- other miscellaneous income.

Other Income. Other income includes:

- income from liquid fund investments;
- interest income; and
- gain from foreign exchange.

Expenditure

Expenditure consists of the cost of material consumed, the purchase of merchandise, increase or decrease in inventories, personnel expenses, operating and other expenses, finance costs and depreciation and amortisation expenses.

Cost of Material Consumed. Cost of material consumed consists primarily of purchase of F&B supplies.

Personnel Expenses. Personnel expenses include salaries, wages and bonuses, contributions to the provident fund and employee welfare benefits and other amenities.

Other Operating Expenses. Operating and other expenses primarily include advertisement and marketing expenses, insurance, power, fuels and water expenses.

Finance Costs. Finance costs include interest and bank charges paid by us in respect of our borrowings.

Depreciation and Amortisation Expenses. Depreciation is charged on straight line method at the rates and in the manner prescribed in the Companies Act. Our depreciation and amortisation expenses relate to assets such as building, plant and machinery, furniture and fittings, motor vehicles, office equipment and computers.

Our Results of Operations

The following table sets forth select financial data from our restated standalone statements of profit and loss for the financial years 2012, 2013 and 2014 and the six months ended September 30, 2014, the components of which are also expressed as a percentage of total revenue for such periods:

| | For the Financial Year | | | | | | For the Six Months ended September 30, 2014 | |
|---|---------------------------|--------------------|---------------------------|--------------------|---------------------------|--------------------|---|--------------------|
| | 2012 | | 2013 | | 2014 | | Amount (₹ in millions) | % of Total Revenue |
| | Amount (₹ in millions) | % of Total Revenue | Amount (₹ in millions) | % of Total Revenue | Amount (₹ in millions) | % of Total Revenue | | |
| Income from Continuing Operations | | | | | | | | |
| Revenue from Operations | | | | | | | | |
| Income from Sale of Products | — | — | — | — | 1,016.91 | 95.1 | 712.48 | 97.2 |
| Income from Sale of Service | — | — | — | — | 20.16 | 1.9 | 9.20 | 1.3 |
| Other Income | — | — | 35.57 | 100.0 | 32.11 | 3.0 | 11.57 | 1.6 |
| Total Revenue | — | — | 35.57 | 100.0 | 1,069.18 | 100.0 | 733.25 | 100.0 |
| Expenses | | | | | | | | |
| Cost of Material Consumed | — | — | — | — | 70.59 | 6.6 | 38.74 | 5.3 |
| Purchase of Trading goods – Merchandise | — | — | — | — | 43.06 | 4.0 | 34.87 | 4.8 |
| Increase/(Decrease) in Inventories | — | — | — | — | (10.58) | (1.0) | (16.64) | (2.3) |
| Personnel Expense | — | — | 33.43 | 94.0 | 200.05 | 18.7 | 204.91 | 27.9 |
| Other Operating Expenses | 5.82 | — | 27.10 | 76.2 | 696.40 | 65.1 | 425.72 | 58.1 |
| Depreciation and Amortisation Expense | — | — | 0.11 | 0.30 | 305.21 | 28.5 | 367.69 | 50.1 |
| Interest and Finance cost | — | — | — | — | 425.33 | 39.8 | 540.10 | 73.7 |
| Restated Profit/(Loss) before Tax and Exceptional Items from Continuing Operations | (5.82) | — | (25.07) | (70.5) | (660.88) | (61.8) | (862.14) | (117.6) |
| Total Tax Expense/(Credit) | (0.76) | — | 7.43 | 20.9 | 136.06 | 12.7 | 326.95 | 44.6 |
| Restated Profit/(Loss) for the Period/Year | (6.58) | — | (17.64) | (49.6) | (524.82) | 49.1 | (535.19) | (73.0) |

Six months ended September 30, 2014

Total Revenue. Our total revenue was ₹ 733.25 million, primarily comprising income from sale of products.

Income from Sale of Products. Our income from sale of products was ₹ 712.48 million, primarily consisting of ticket sales of ₹ 553.82 million, F&B sales of ₹ 119.80 million and merchandise sales of ₹ 38.86 million. The total number of guests hosted by us at our theme park for the six months ended September 30, 2014 was 381,559.

Income from Sale of Service. Our income from sale of service was ₹ 9.20 million, primarily consisting of income from parking charges of ₹ 3.92 million, income from third party logistic services of ₹ 3.88 million and income from lockers of ₹ 0.70 million.

Other Income. Our other income was ₹ 11.57 million, primarily consisting of income from mutual fund investments.

Expenses. Our total expenses was ₹ 687.60 million, primarily comprising other operating expenses of ₹ 425.72 million and personnel expenses of ₹ 204.91 million.

Cost of Material Consumed. Our cost of material consumed was ₹ 38.74 million. This consisted primarily of purchase of F&B supplies.

Purchase of Trading Goods. Our purchase of trading goods was ₹ 34.87 million, which primarily consisted of purchase of merchandise intended to be sold in our merchandise outlets.

Personnel Expense. Our personnel expense was ₹ 204.91 million. We had 1,248 employees as of September 30, 2014.

Other Operating Expenses. Our other operating expenses were ₹ 425.72 million. Our other operating expenses primarily consisted of advertisement and marketing expenses of ₹ 124.01 million incurred for the promotional

activity for our theme park and the proposed launch of our water park, power and fuel expenses of ₹ 53.87 million and repairs and maintenance of plant and machinery of ₹ 32.28 million.

Depreciation and Amortisation Expense. Depreciation and amortisation expenses charged to our profit and loss account were ₹ 367.69 million.

Interest and Finance Cost. Our interest and finance cost was ₹ 540.10 million.

Provision for tax. We had no provision for current tax for the six months ended September 30, 2014 as we did not record any profit for this period. Our total provision for deferred tax assets as of September 30, 2014 was ₹ 326.95 million, which relates to timing differences in unabsorbed depreciation and carry forward losses.

Loss After Tax. Our loss after tax for this period was ₹ 535.19 million.

Financial Year 2014 Compared to Financial Year 2013

Imagica – The Theme Park became fully operational on November 1, 2013. During the financial year 2014, while we had only five months of revenues from the sale of tickets, we had revenue from the sale of F&B items and merchandise since April 2013 when some of the rides and attractions in our theme park opened to the public (certain expenses incurred prior to November 1, 2013 as reduced by the revenue from the sale of tickets prior to November 1, 2013 were capitalised).

Total Revenue. Our total revenue for the financial year 2014 increased to ₹ 1,069.18 million for the financial year 2014 from ₹ 35.57 million for the financial year 2013, primarily due to our theme park becoming operational during the financial year 2014, which resulted in income from the sale of products of ₹ 1,016.91 million.

Other Income. Our other income decreased by 9.7% to ₹ 32.11 million for the financial year 2014 from ₹ 35.57 million for the financial year 2013, primarily as a result of a decrease in income from liquid mutual fund investments to ₹ 27.80 million for the financial year 2014 from ₹ 33.25 million for the financial year 2013.

Expenses. Prior to Imagica – The Theme Park becoming fully operational on November 1, 2013, certain pre-operative expenses incurred by us during the financial years 2014 and 2013 were capitalised, as set out below:

| Particulars | Financial Year 2013 | Financial Year 2014 |
|---|-------------------------|-------------------------|
| | Amount (₹ in millions) | Amount (₹ in millions) |
| Opening Balance | 68.25 | 128.30 |
| Addition during the period | | |
| Payment to and Provisions for Employee Costs (Including Reimbursements) | 3.12 | 57.65 |
| Communication Expenses | 1.41 | 1.05 |
| Office Expenses | 2.43 | 13.11 |
| Conveyance Costs | — | 0.09 |
| General and Administrative Charges | 39.87 | 76.89 |
| Professional Fees | 2.10 | 3.91 |
| Depreciation | 11.12 | 0.30 |
| | | |
| Transferred during the period | | |
| Capitalised | — | 281.30 |
| | | |
| Closing Balance | 128.30 | — |

Cost of Material Consumed. Our cost of material consumed for the financial year 2014 was ₹ 70.59 million. We did not have any cost of material consumed for the financial year 2013, as our theme park was not operational.

Purchase of Trading Goods. Our purchase of trading goods for the financial year 2014 was ₹ 43.06 million. We did not have any expenses for purchase of trading goods for the financial year 2013, as our theme park was not operational.

Personnel Expense. Our personnel expense for the financial year 2014 increased to ₹ 200.05 million from

₹33.43 million for the financial year 2013 as a result of an increase in the number of our employees in light of our theme park becoming operational.

Other Operating Expenses. Our other operating expenses for the financial year 2014 increased to ₹ 696.40 million from ₹ 27.10 million for the financial year 2013, primarily as a result of an increase in advertisement and marketing expenses to ₹ 321.76 million for the financial year 2014 from ₹ 15.79 million for the financial year 2013 and power, fuel and water expenses of ₹ 54.74 million for the financial year 2014, each on account of our theme park becoming operational.

Depreciation and Amortisation Expenses. Depreciation and amortisation expenses charged to our profit and loss account increased to ₹ 305.21 million for the financial year 2014 from ₹ 0.11 million for the financial year 2013 on account of our theme park becoming operational.

Interest and Finance Cost. Our interest and finance cost was ₹425.33 million for the financial year 2014. We did not have any interest and finance cost during the financial year 2013, as such cost was capitalised.

Provision for Tax. We had no provision for current tax for the financial years 2014 and 2013, as we did not record any profit for these periods. Our total tax expenses on account on deferred tax assets was ₹ 136.06 million and ₹ 7.43 million for the financial years 2014 and 2013 respectively, which related to the timing differences in unabsorbed depreciation and carry forward losses, as we did not record any profit for these periods.

Loss After Tax. Our loss after tax increased to ₹ 524.82 million for the financial year 2014 from ₹ 17.64 million for the financial year 2013.

Financial Year 2013 Compared to Financial Year 2012

Total Revenue. Our total revenue for the financial year 2013 was ₹ 35.57 million. We had no revenue for the financial year 2012.

Other Income. Our other income for the financial year 2013 was ₹ 35.57 million, consisting of income from liquid mutual fund investments of ₹ 33.25 million.

Expenses. Prior to Imagica – The Theme Park becoming fully operational on November 1, 2013, certain pre-operative expenses incurred by us during the financial years 2013 and 2012 were capitalised, as set out below:

| Particulars | Financial Year 2012 Amount (₹ in millions) | Financial Year 2013 Amount (₹ in millions) |
|--|--|--|
| Opening Balance | 38.06 | 68.25 |
| Addition during the period | | |
| Payment to and Provisions for Employee Costs (Including Reimbursements) | 17.13 | 3.12 |
| Communication Expenses | 2.03 | 1.41 |
| Office Expenses | 0.28 | 2.43 |
| Conveyance Costs | 0.32 | — |
| General and Administrative Charges | 7.79 | 39.87 |
| Professional Fees | 1.99 | 2.10 |
| Depreciation | 0.80 | 11.12 |
| | | |
| Transferred during the period | | |
| Pre-operative Borrowing Costs | 0.15 | — |
| | | |
| Closing Balance | 68.25 | 128.30 |

Personnel Expense. Our personnel expense for the financial year 2013 was ₹ 33.43 million as we hired employees during the financial year 2013 to prepare for the launch of Imagica – The Theme Park. We had no personnel expense for the financial year 2012 as such expenses were included in the pre-operative expenses and therefore, were capitalised.

Other Operating Expenses. Our other operating expenses for the financial year 2013 increased to ₹ 27.10

million from ₹ 5.82 million for the financial year 2012, primarily due to advertising and marketing expenses of ₹ 15.79 million, which were incurred in connection with the proposed launch of Imagica – The Theme Park.

Depreciation and Amortisation Expense. Our depreciation and amortisation expense for the financial year 2013 was ₹ 0.11 million. We had no depreciation and amortisation expense for the financial year 2012.

Provision for tax. We had no provision for current tax for the financial year 2013. Our provision for current tax for the financial year 2012 was ₹ 0.76 million. Our tax expenses on account of deferred tax assets was ₹ 7.43 million. We did not record provision for deferred tax assets for the financial year 2012 as we had taxable income for this period.

Loss After Tax. Our loss after tax increased to ₹ 17.64 million for the financial year 2013 from ₹ 6.58 million for the financial year 2012.

Financial Condition, Liquidity and Capital Resources

We define liquidity as our ability to generate sufficient funds from internal and external sources to meet our obligations and commitments. In addition, liquidity includes the ability to obtain appropriate equity and debt financing and to convert into cash those assets that are no longer required to meet existing strategic and financial objectives. Liquidity cannot be considered separately from capital resources that consist of current or potentially available funds for use in achieving long-range business objectives and meeting debt service and other commitments.

We have historically financed our capital requirements primarily through financing from banks and other financial institutions in the form of term loans, cash generated from the issuance of equity shares and equity-linked instruments to our Promoters and investors and short-term borrowings from our Promoters. With the launch of our operations, we expect to generate liquidity from internal accruals. We will be required to undertake capital investment on a regular basis to improve the existing rides and attractions and develop new parks. Our financing requirements are primarily for the parcel of land for the park, the development cost of rides and other attractions and working capital. We also have significant capital expenditure plans in the near future, including expanding our portfolio of parks by developing a theme park in Hyderabad and adding three to four rides and attractions over the next five years including one major ride or attraction every two years at Adlabs Mumbai. We believe that we will have sufficient capital resources from our operations, net proceeds of the Issue and other financing from banks, financial institutions and other lenders to meet our capital requirements for at least the next 12 months.

Cash Flows

The table below summarises our cash flows for the financial years 2012, 2013 and 2014 and the six months ended September 30, 2014:

| | For the Financial Year | | | For the six months ended September 30, 2014 |
|---|------------------------|---------------|--------------|---|
| | 2012 | 2013 | 2014 | |
| Net cash from/ (used in) operating activities | 803.59 | 633.63 | (29.24) | 295.50 |
| Net cash from/ (used in) investing activities | (1,059.10) | (6,902.92) | (3,575.98) | (1,080.51) |
| Net cash from / (used in) financing activities | 252.11 | 6,504.80 | 3,663.58 | 620.14 |
| Net increase / (decrease) in cash and cash equivalents | (3.40) | 235.51 | 58.36 | (164.87) |

Operating Activities

Net cash from operating activities was ₹ 295.50 million for the six months ended September 30, 2014. While our loss before taxation was ₹ 862.14 million for the six months ended September 30, 2014, we had an operating profit before working capital changes of ₹ 42.75 million as a result of adjustments due to depreciation and amortisation of ₹ 367.69 million and interest expense of ₹ 540.10 million. Our working capital adjustments to our net cash from operations for the six months ended September 30, 2014 included primarily an increase in other current liabilities of ₹ 218.49 million which primarily related to current maturity of our long-term borrowing which was partially offset primarily by increase in trade receivables of ₹ 65.66 million, which related to amount due from agents engaged for sale of tickets.

Net cash used in operating activities was ₹ 29.24 million for the financial year 2014. While our loss before taxation was ₹ 660.88 million for the financial year 2014, we had an operating profit before working capital changes of ₹ 65.37 million as a result of adjustments due to depreciation and amortisation of ₹ 305.18 million and interest expense of ₹ 425.33 million. Our working capital adjustments to our net cash from operations for the financial year 2014 included primarily a decrease in other current liabilities of ₹ 245.09 million, which primarily related to current maturity of our long-term borrowing, which was partially offset primarily by an increase in trade payables of ₹ 138.34 million, which related to payment in respect of retail, F&B and other park operational expenses.

Net cash from operating activities decreased to ₹ 633.63 million for the financial year 2013 from ₹ 803.59 million for the financial year 2012. As we commenced operations during the financial year 2014, operating cash flows for the financial years 2013 and 2012 primarily related to changes in the current assets.

Investing Activities

Net cash used in investing activities was ₹ 1,080.51 million, ₹ 3,575.98 million, ₹ 6,902.92 million and ₹ 1,059.10 for the for the six months ended September 30, 2014 and the financial years 2014, 2013 and 2012, primarily consisting of purchase of fixed assets, capital work in progress and capital advances made by us, all in connection with Adlabs Mumbai.

Financing Activities

Net cash from financing activities was ₹ 620.14 million, ₹ 3,663.58 million, ₹ 6,504.80 million and ₹ 252.11 million for the for the six months ended September 30, 2014 and the financial years 2014, 2013 and 2012, primarily consisting of proceeds from issue of shares and proceeds of long-term borrowings.

Indebtedness

Our indebtedness as of December 31, 2014, is set out below:

| | As of December 31, 2014 <i>Amount (₹ in millions)</i> |
|---|---|
| Secured Loans | |
| Bank Loans | 9,494.65 |
| Buyers' Credit | 1,343.23 |
| Total Secured Loans | 10,837.88 |
| Unsecured Loans | |
| Compulsorily convertible debentures issued to investors | 1,939.98 |
| Related Party Loans | 0.1 |
| Total Unsecured Loans | 1,940.08 |
| Grand Total | 12,777.96 |

In addition, we also had letters of credit aggregating to ₹ 5.92 million, bank guarantees aggregating to ₹ 21.39 million and unsecured loans of ₹ 70.00 million and ₹ 450.00 million provided by our Promoters, Thrill Park and Manmohan Shetty, respectively, outstanding as of December 31, 2014.

There are certain restrictive covenants in the financing agreements we have entered into with our lenders, including:

- creation of security over existing and future assets;
- incurrence of additional indebtedness under certain circumstances;
- making certain restricted payments, such as the declaration and distribution of dividends, redemption, retirement, purchase or other acquisition of the share capital of our Company, or repaying the amounts contributed by our Promoters or Directors, unless certain specified conditions are satisfied;
- investing in equity interests or purchasing assets, other than in ordinary course of our business, unless certain conditions are satisfied;

- selling or disposing relevant assets, including land;
- changing or expanding our scope of business or undertaking new projects;
- entering into certain corporate transactions such as reorganisations, amalgamations and mergers or creating subsidiaries;
- diluting our promoter's shareholding in our Company beyond specified levels;
- changing the capital structure or shareholding pattern of our Company;
- modifying constitutional documents; and
- incurring capital expenditure, except as permitted.

See the section "Risk Factors – Our lenders have substantial rights, including in the event of a breach, to determine how we conduct our business, which could put us at a competitive disadvantage and could have an adverse effect on our business, results of operations and financial condition" on page 20.

Short-term Borrowings

Our short-terms borrowings as of March 31, 2011, 2012 and 2013 were ₹ 454.90 million, ₹ 1,950.13 million and ₹ 570.00 million:

| Particulars | As of | | |
|-------------------------------------|---------------|-----------------|---------------|
| | Mar 31, 2013 | Mar 31, 2012 | Mar 31, 2011 |
| Short Term Borrowings | | | |
| Unsecured | | | |
| Loans & Advances from Related Party | 570.00 | — | 253.00 |
| Secured | | | |
| From Banks | — | 1,950.13 | 201.90 |
| Total | 570.00 | 1,950.13 | 454.90 |

We availed a short term loan (with a tenure of less than one year) from Bank of Baroda during the financial year 2011 as we were in the process of negotiating the terms of a long-term consortium loan agreement with our lenders. This loan was repaid from another short-term loan taken from Syndicate Bank during the financial year 2012.

We availed another short term loan (with a tenure of less than one year) from Syndicate Bank during the financial year 2012 as we were in the process of negotiating the terms of a long-term consortium loan agreement with our lenders. This loan was repaid from proceeds of long-term consortium loan availed during the financial year 2014.

Credit Ratings

In January 2014, ICRA Limited provided a credit rating of BB, which denotes positive outlook for our long-term debt. The rating is currently under renewal.

Capital and Other Commitments

As of September 30, 2014, our estimated contracts, remaining to be executed (net of advances) and not provided for was ₹ 418.43 million. These contracts primarily relate to various construction, interior fitting and furnishing, plant, machinery and equipment contracts related to our hotel, which is currently under development.

Operating Leases

We have entered into operating leases for our offices in Mumbai and certain other residential premises for our employees in Khopoli and Navi Mumbai for periods ranging from 12 months to 72 months. For the six months ended September 30, 2014, total lease payments amounting to ₹ 11.56 million were charged to our statement of profit and loss.

As of September 30, 2014, the future minimum lease payments in respect of our operating leases are as follows:

| Particulars | Within 1 Year | Between 1 and 5 Years | More than 5 Years |
|------------------------|------------------------|-----------------------|-------------------|
| | Amount (₹ in millions) | | |
| Minimum Lease Payments | 40.35 | 58.21 | 0.17 |

Capital Expenditures

We commenced construction of Adlabs Mumbai in 2011 and we expect to complete this project in 2015, with the first phase of our hotel expected to be completed by March 2015 and the balance in phases thereafter in 2015. We expect the total cost for the development of this project to be ₹ 16,504 million. We had incurred ₹ 4,470.67 million, ₹ 10,698.04 million, ₹ 14,274.55 million and ₹ 15,353.81 million for the development of Adlabs Mumbai as of March 31, 2012, 2013 and 2014 and September 30, 2014, respectively. We expect to incur the balance development cost for Adlabs Mumbai during the financial years 2015 and 2016.

Contingent Liabilities

The following table sets out our contingent liabilities as of September 30, 2014:

| Particulars | As at September 30, 2014 Amount (₹ in millions) |
|--------------------------------|--|
| Suit filed against the Company | 8.78 |
| Guarantees to government | 20.90 |
| Total | 29.68 |

Related Party Transactions

We have in the past engaged, and in the future may engage, in transactions with related parties, including with our affiliates. Such transactions could be for, among other things, rent or lease of certain properties, sale and purchase of fixed assets, dividends, remuneration, the purchase or sale of investments, deposits and the purchase or sale of Equity Shares. For example, as of December 31, 2014, there are outstanding unsecured loans of ₹ 70.00 million and ₹ 450.00 million provided by our Promoters, Thrill Park and Manmohan Shetty, respectively, which can be accelerated on demand.

For additional details of our related party transactions, see the sections “Consolidated Financial Statements – Statement of Related Party Transactions” and “Standalone Financial Statements – Statement of Related Party Transactions” on pages 206 and 253, respectively.

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including exchange rate risk and interest rate risk. We are exposed to exchange rate risk, interest rate risk and inflation risk in the normal course of our business.

Exchange Rate Risk

We face exchange rate risk because certain of our obligations and assets are denominated in foreign currencies. We currently do not have any hedging arrangement for our foreign risk exposure.

Details of our unhedged foreign currency exposures are set out below:

| Particulars | As of December 31, 2014 Amount (in millions) |
|-------------------------------------|---|
| | |
| Buyers Credit (denominated in US\$) | 11.38 |

| Particulars | As of December 31, 2014 |
|--|-------------------------|
| | Amount (in millions) |
| Buyers Credit (denominated in Euro) | 7.50 |
| Buyers Credit (denominated in Pound Sterling) | 0.45 |
| Total ₹ Equivalent of Buyers Credit Facilities | 1,343.23 |
| | |
| Letters of Credit Facility (denominated in US\$) | — |
| Letters of Credit Facility (denominated in Euro) | — |
| Letters of Credit Facility (denominated in Pound Sterling) | — |
| Letters of Credit Facility (denominated in Canadian \$) | 0.11 |
| Total ₹ Equivalent of Letters of Credit Facilities | 5.92 |

Also, see the section “Risk Factors – We are subject to risks arising from exchange rate fluctuations. Depreciation of the Rupee against foreign currencies may have an adverse effect on our results of operations” on page 35.

Interest Rate Risk

We are subject to interest rate risk, primarily because most of our borrowings and our deposits of cash and cash equivalents with banks and other financial institutions are at floating interest rates. As of December 31, 2014, all our indebtedness consisted of floating rate indebtedness.

Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations.

Inflation Risk

India has experienced high inflation for the last 12 to 18 months, which has contributed to an increase in interest rates, adversely affecting both sales and margins. See the section “Risk Factors – Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations” on page 35.

Seasonality of Business

Our business is seasonal in nature. Our parks could experience volatility in attendance as a result of school examinations and vacations, public holidays, weekends and adverse weather conditions such as monsoons. See the section “Risk Factors – Our business is seasonal in nature, and may be affected by weather conditions, school vacations, public holidays and weekends. Therefore, a sequential quarter-to-quarter comparison of our results of operations may not be a good indicator of our performance” on page 19.

Unusual or Infrequent Events or Transactions

To our knowledge, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in “Significant Factors Affecting Our Results of Operations and Financial Condition” and the uncertainties described in the section “Risk Factors” on pages 263 and 17, respectively. To our knowledge, except as disclosed in this Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in the section “Risk Factors” on page 17 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, refer to the discussions of our competition in the sections “Risk Factors” and “Our Business” on pages 27 and 130, respectively.

New Products or Business Segments

Our subsidiary, Walkwater Properties which we acquired in September 2014, has applied to the Government of Maharashtra for an approval to develop a township project on a parcel of land measuring 170 acres adjacent to Adlabs Mumbai owned by us along with certain adjoining parcels of land owned by third parties.

Except as disclosed above, we have not announced and do not expect to announce in the near future any new products or business segments, except as disclosed in this Red Herring Prospectus.

Significant Developments Occurring after September 30, 2014

- Our water park, Aquamagica became fully operational on October 1, 2014 and our financial statements for the period subsequent to the six months ended September 30, 2014 will reflect the results of operations of our water park.
- On October 10, 2014, our Company allotted Equity Shares and compulsorily convertible debentures to NYLIM Jacob Ballas India Holdings IV and Ballas Capital India Private Limited for an aggregate amount of ₹500.00 million. These compulsorily convertible debentures were converted to Equity Shares on January 30, 2015. In addition, in January 30, 2015, IAF CCDs were also converted to Equity Shares, which were allotted to India Advantage Fund pursuant to the IAF Investment Agreement.

To our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, (i) there are no winding up petitions, no outstanding litigations, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company or against any other company whose outcome could have a materially adverse effect on the business, operations or financial position of our Company, and (ii) there are no defaults including non-payment or overdue of statutory dues, overdues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debenture, bonds and fixed deposits or arrears on cumulative preference shares issued by our Company, defaults in creation of full security as per the terms of issue/other liabilities, proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (1) of Part I of Schedule XIII of the Companies Act, 1956 and under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company except as stated below, and (iii) no disciplinary action has been taken by SEBI or any stock exchange against our Company, Directors or Promoters.

Litigation involving our Company

Litigation against our Company

Civil Cases

1. Bharat Lekhraj Harwani ("Plaintiff") has filed a Special Civil Suit No. 212 of 2011 in the Court of Civil Judge, Senior Division, Panvel ("Civil Court") against Rajendra Ramvilas Jakhotia, Maruti Patil, Manmohan Shetty and our Company ("Defendants") in relation to the purchase of approximately 170 acres of land by our Company on which our Theme Park is situated. The Plaintiff has alleged that he had entered into arrangements through a memorandum of understanding (the "2008 MoU") for the purchase of land admeasuring 65 acres owned by Rajendra Ramvilas Jakhotia and Maruti Patil among others, and 105 acres of adjacent land belonging to third parties (the "Property"). The plaintiff prayed for an injunction for creation of third party interest on the Property by way of sale, transfer, conveyance, mortgage, lien, lease or otherwise. The Civil Court did not grant an injunction and an appeal was filed by the Plaintiff in the High Court of Bombay, at Mumbai ("High Court"). By orders dated August 3, 2011 and April 12, 2012, the dispute was referred to arbitration by the High Court. Our Company challenged the maintainability of the arbitration proceedings and also challenged the jurisdiction of the arbitrator under Section 16 of the Indian Arbitration and Conciliation Act, 1996, since it was not a party to the 2008 MoU (the "Maintainability Application"). However, the arbitrator, on September 4, 2011 rejected our Company's Maintainability Application. On April 12, 2013, the arbitrator ordered that the transactions of purchase of land entered into among our Company, Rajendra Ramvilas Jakhotia and Maruti Patil, in respect of 65 acres of land mentioned in the 2008 MoU would be subject to the outcome of the arbitral proceedings (the "Arbitral Order"). Our Company has challenged the Arbitral Order by way of Writ Petition (WPL No. 1489 of 2013) before the High Court (the "Writ Petition"), which has been admitted. The High Court, through its order dated August 7, 2014 (the "Order") dismissed the Writ Petition as withdrawn. Further, in terms of the Order, our Company was granted the liberty to seek appropriate remedy in this regard. Accordingly, our Company has preferred an Arbitration Appeal (No. 19 of 2014) before the High Court against the Arbitral Order, which was admitted by the High Court on September 25, 2014. The matter is pending.
2. Laxman Narayan Patil (the "Plaintiff") has filed a suit being R.S. No. 75/13 in the Court of Civil Judge, Junior Division at Khalapur (the "Civil Court") against our Company. The Plaintiff has alleged that our Company has encroached upon land aggregating to 2.2 acres owned by him ("Disputed Land") in an unauthorized manner. By an interim order dated September 18, 2013 the Civil Court directed our Company, its employees, agents, representatives, assignees to refrain from encroaching upon the Disputed Land. Our Company has filed an appeal against the interim order by way of Civil Miscellaneous Appeal No. 90 of 2013 before the District Court, Raigad at Alibaug. The matter is pending.

3. Our Company has received a notice (the “Notice”) from the Divisional Commissioner Office, Kokan Bhuvan (the “Commissioner”) on December 21, 2013, directing our Company to furnish certain details in relation to the acquisition of AEL Land and its subsequent use. The Notice was issued by the Commissioner pursuant to certain points raised by some individuals at the proceedings held in the Maharashtra Legislative Assembly, under Rule 105 of the Maharashtra Legislative Assembly Rules (the “Allegations”). The Allegations included, amongst other things, forceful acquisition, possession and unauthorised use of land, changing the survey numbers of land by managing government officials, and undertaking illegal excavation and mining. Our Company has denied all the Allegations through its reply dated December 26, 2013 submitted to the Commissioner and stated that the land was acquired and developed by it in accordance with applicable law and also provided the requisite documentation in this regard. Further, in relation to the allegation pertaining to illegal excavation undertaken by our Company, our Company has clarified in its reply that for the excavation of brass coal tar and soil mineral undertaken, it has already deposited a royalty of ₹ 11.40 million with the government treasury and paid penalty of ₹ 10.54 million to the Sub-Divisional Officer, Panvel. As on the date of this Red Herring Prospectus, our Company has not received any further communication in this regard.
4. O & M Services Company (“O&M”) has, on July 14, 2014, filed a petition before the Micro and Small Enterprises Facilitation Council, Konkan Division, Thane (the “MSEFC”) against our Company, Kapil Bagla, our Director and another. O&M has alleged that our Company has not paid the money due to O&M for civil construction services provided by O&M to our Company. Our Company has filed its reply on September 17, 2014. The total amount claimed by O&M is ₹ 10.24 million towards unpaid dues, interest and damages. The matter is pending before the MSEFC.

Tax matters

Our Company was issued summons on July 3, 2013 by the Department of Revenue, Central Board of Excise and Customs (the “Department”) for production of certain documents and information related to the import of goods by our Company for use in our theme park. In terms of the notification No. 45/2005- Customs dated May 16, 2005, issued by the Ministry of Finance (the “2005 Notification”), our Company had availed of the exemption from payment of Special Additional Duty of Customs (“SAD”) on the import of goods pertaining to our theme park into our warehouse located in Free Trade Warehousing Zone (“FTWZ”) at Panvel. However, the Department, upon inquiry, held that the exemption was not available to our Company on transfer of the imported goods from the warehouse to our theme park. Accordingly, our Company made payments aggregating up to ₹ 104.10 million to the Department under protest, towards the amount claimed as exemption. Subsequently, on December 30, 2013, the Ministry of Finance, through Circular No. 44/2013, clarified that the benefit of SAD exemption in terms of the 2005 Notification shall not be available on the goods cleared from FTWZ to the warehouse of an entity and which were meant for self-consumption. Accordingly, our Company, through its letter dated March 19, 2014, has requested the Department to close the enquiry and issue a no dues and closure certificate as the amount of exemption availed had already been paid back by our Company.

Subsequently, a show cause notice dated December 16, 2014 (the “SCN”) has been issued by the Additional Director General, Directorate General of Central Excise Intelligence, Mumbai Zonal Unit (the “DGCEI”) to our Company and Kapil Bagla, our Director (collectively, the “Respondents”). In terms of the SCN, the DGCEI has alleged, amongst other things, that (i) our Company and Kapil Bagla had evaded the payment of SAD during the period from June 2, 2012 to May 17, 2013; (ii) our Company was not entitled to claim exemption from payment of SAD under the 2005 Notification as the goods imported by our Company were meant for self consumption and were exempt from payment of sales tax/ value added tax; and (iii) our Company has accordingly contravened the applicable provisions of the Customs Act, 1962, as amended (the “CA Act”). Under the SCN, our Company has been directed to show cause as to why: (i) exemption claimed by our Company under the 2005 Notification should not be denied; (ii) SAD aggregating to ₹ 111.85 million, along with applicable interest, not be recovered from our Company in respect of the imported goods (the “Outstanding Dues”) and the abovementioned amount of ₹ 104.10 million already paid by our Company should not be appropriated against the Outstanding Dues; (iii) goods imported by our Company and valued at approximately ₹ 2,257.41 million not be held liable for confiscation under the CA Act; and (iv) applicable penalty under the CA Act should not be imposed on our Company. Further, Kapil Bagla has been directed to separately show cause to the DGCEI as to why applicable penalty under the provisions of the CA Act should not be imposed on him in this regard. Our Company has filed its reply to the SCN with the Commissioner of Customs, Nhava Sheva General on February 2, 2015 denying the allegations levelled in the SCN. The matter is pending.

Cases filed by our Company

Except as described below, our Company has not filed any civil, criminal, tax, labour, arbitration, or any other legal proceedings:

Our Company has issued a notice dated March 11, 2014 to I.E. Park, s.r.l Soli Bumper Cars (“IE Park”) in relation to the breach of the ride system procurement agreement (the “Ride Agreement”) pertaining to the ride named ‘Bandits of Robinhood’. Our Company has alleged that the accident which took place on February 5, 2014 at our Company’s theme park involving this ride, occurred on account of manufacturing defects in the ride procured from IE Park and resulted in (a) injuries to some guests; (b) loss of reputation; (c) loss of business and revenue; and (d) and incurrence of additional expenses. Our Company has further alleged that IE Park has been negligent and has not provided the necessary assistance and remedial actions pursuant to the accident, as contemplated under the Ride Agreement. Our Company has claimed an amount of approximately US \$ 20 million from IE towards the abovementioned cause of action while IE Park has denied all allegations and claims made by our Company. IE Park acknowledged the receipt of the notice issued by our Company through its Italian and Indian attorneys through their letters dated March 25, 2014 and April 11, 2014, respectively. The matter has been referred to arbitration and a sole arbitrator was confirmed by our Company and IE Park. The terms of reference for the arbitral tribunal were determined on October 31, 2014. The arbitration proceedings are currently pending.

Further, our Company has, on August 20, 2014, filed a criminal complaint against IE Park and others before the Court of the Judicial Magistrate of the First Class, Khalapur (“JMFC”). In terms of the said complaint, our Company has reiterated that the abovementioned accident occurred on account of the manufacturing defects in the ride procured from IE Park and that the same endangered the life and personal safety of our Company’s guests and employees at our Company’s theme park. In terms of the complaint, our Company has submitted that Khalapur Police Station be directed by the JMFC to register a first information report in the said matter and appropriately investigate the allegations made by our Company. The matter is currently pending.

Litigation involving our Promoters

Except as described below, there is no pending litigation against our Promoters.

Litigation by or against Manmohan Shetty

1. One of our Promoters, Manmohan Shetty has received four summons from the Directorate of Enforcement, Department of Revenue, Ministry of Finance, Government of India (“ED”) on January 29, 2013, March 13, 2013, October 14, 2013 and February 28, 2014 (collectively, the “Summons”), in relation to the issuance of foreign currency convertible bonds by Reliance MediaWorks Limited (earlier known as Adlabs Films Limited) in January 2006 (the “FCCB Issuance”). The Summons directed Manmohan Shetty to appear before the ED on specified dates and provide certain documents and information in relation to the FCCB Issuance. While Manmohan Shetty sought exemption from and did not personally appear before the ED, he responded to the Summons through letters dated February 13, 2013, March 21, 2013, October 23, 2013 and March 12, 2014 (the “ED Replies”), respectively. Through the ED Replies Manmohan Shetty has clarified to ED that (i) he sold majority stake in Adlabs Films Limited to Reliance ADA group in May-June 2005; (ii) pursuant to such sale, all financial matters and decisions including those pertaining to capital raising were taken by Reliance ADA group; (iii) he formally retired from the offices of managing director of Reliance MediaWorks Limited with effect from November 2007; and (iv) that he was not in possession of any information or documents pertaining to the FCCB Issuance. Pursuant to an application filed by Reliance MediaWorks Limited, a compounding order dated March 27, 2014 was issued by RBI in favour of Reliance MediaWorks Limited.
2. For another matter involving Manmohan Shetty, see the section “- Litigation involving our Company - Litigation against our Company- Civil Cases” on page 277.

Regulatory Actions in the last five years

Our Company has filed an application, with the RoC on July 8, 2014 pursuant to a petition of our Company before the Company Law Board, Mumbai Bench (“CLB”) for compounding of the offence of not having taken prior approval of the Central Government under Section 297 of the Companies Act, 1956 prior to entering into the leave and license agreement dated December 14, 2012 with Walkwater Properties Private Limited

("Walkwater Properties"), for the furniture and fixtures at its Corporate Office (the "LLA"). The CLB, through its order dated December 9, 2014, compounded the offence by levying compounding fee of ₹ 25,000 each, on our Company, Manmohan Shetty, Kapil Bagla and the Company Secretary. The requisite compounding fee has been deposited with the RoC.

Litigation against Thrill Park

There are no civil, criminal, tax, labour, arbitration, or any other legal proceedings filed against Thrill Park.

Litigation by Thrill Park

Civil Cases

Thrill Park, through its attorney, had entered into a letter of commitment and a memorandum of understanding (collectively, the "MoU") with Dr. Bhakti Kumar Dave ("Dave"). In terms of the MoU, Dave was required to facilitate the acquisition of land (the "Land") in favour of Thrill Park, or any other party nominated by Thrill Park. Pursuant to the said MoU, Thrill Park had advanced a sum of ₹ 67.67 million approximately, towards acquisition of the Land (the "Advance Payment"). The Advance Payment was considered to be Thrill Park's contribution to the capital of erstwhile partnership firm M/s Dream Park. Subsequently, through a deed of assignment dated December 31, 2009, Thrill Park had assigned the Advance Payment and all the rights and interests in the Land and rights in relation to the recovery of the Advance Payment in favour of M/s Dream Park.

On July 4, 2013, Thrill Park has filed a suit bearing no. 270/2013 against Dave and 77 others (the "Defendants") in the Court of Civil Judge, Senior Division, Panvel (the "Civil Court") for the specific performance of the MoU, on account of Dave's failure in fulfilling his obligations under the MoU. Notice and summons have been issued to the Defendants and the notice of *lis pendens* has been duly registered. The matter is pending.

Litigation involving our Directors

Except as described below, there are no other civil, criminal, tax, labour, arbitration, or any other legal proceedings filed by or against any of the Directors of our Company:

Manmohan Shetty

For litigation involving and regulatory actions against Manmohan Shetty, see the section "– Litigation involving our Promoters - Litigation by or against Manmohan Shetty" on page 279. Further, for past penalties against Manmohan Shetty, see the section "– Past Penalties against our Directors and Promoters" on page 280.

Kapil Bagla

1. Global Trade Finance Limited (presently known as SBI Global Factors Limited, "SGFC") has filed a criminal complaint against BBIP Infrastructure Limited ("BBIP"), its promoters and its directors, including Kapil Bagla (collectively, the "Accused"), under section 138 of the Negotiable Instruments Act, 1881, bearing number 489/SS of 2010, on account of dishonour of cheque. The said complaint has been filed *before* the Metropolitan Magistrate Court (12th Court), Bandra (the "Magistrate"). The Magistrate, through his order dated September 26, 2013, disposed of the complaint and discharged the Accused, including Kapil Bagla, of all liabilities. Against the order of the Magistrate, SGFC has preferred a criminal appeal against the State of Maharashtra and the Accused before the High Court of Bombay, at Mumbai, on January 10, 2014. The matter is currently pending.
2. For other cases involving Kapil Bagla, see the section "(a) - Litigation involving our Company - Litigation against our Company- Civil Cases" on page 277; and "(b) - Litigation involving our Company - Litigation against our Company- Tax Matters" on page 278. Further, for past penalties against Kapil Bagla, see the section "– Past Penalties against our Directors and Promoters" on page 280.

Past Penalties against our Directors and Promoters

1. In 2006, SEBI set up inquiry proceedings against Manmohan Shetty. The inquiry was in relation to the sale of shares held by Manmohan Shetty in Adlabs Films Limited, now Reliance MediaWorks Limited, a listed company, during the silent period. By an order dated June 9, 2010, SEBI imposed a fine of ₹ 10 million on Manmohan Shetty. Upon challenge of the said order by Manmohan Shetty before the

Securities Appellate Tribunal (“SAT”), the SAT, by its order dated May 27, 2011 reduced the penalty imposed by SEBI from ₹10 million to ₹ 2.5 million. The penalty was paid by Manmohan Shetty on March 5, 2012.

2. SEBI, through its order dated December 27, 2007 had initiated adjudication proceedings against Adlabs Films Limited, now Reliance MediaWorks Limited (“RMWL”), wherein Manmohan Shetty was a director, for allegedly opening the trading window before the expiry of 24 hours from the information about the board meeting being made public resulting in violation of regulation 12 (1) read with clauses 3.2-3 and 3.2-4 of the code of conduct specified under Part A of Schedule I of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. Without admission or denial of guilt on part of RMWL or conclusion of law, RMWL settled the matter by remitting a sum of ₹ 1.5 million in favour of SEBI and SEBI, through a consent order dated March 6, 2009, disposed of the adjudication proceedings against RMWL under the SEBI Act.
3. SEBI through its order dated March 29, 2007, initiated adjudication proceedings against Manmohan Shetty, in his capacity as one of the directors of Adlabs Films Limited, now Reliance MediaWorks Limited for the alleged non-compliance with the provisions of Regulations 3 (3) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers), Regulations, 1997. Subsequently, a show cause notice dated May 22, 2007 was issued to Manmohan Shetty. Pending the adjudication proceedings, Manmohan Shetty made a consent order application dated August 24, 2007 for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007 dated April 20, 2007. Pursuant to the said application, Manmohan Shetty remitted ₹ 50,000 and SEBI, through a consent order dated December 13, 2007 disposed of the said adjudication proceedings pending against Manmohan Shetty under the SEBI Act.
4. Pursuant to a complaint by the Government Labour Officer and Inspector under the Maternity Benefit Act, 1961, the Judicial Magistrate First Class at Khalapur, district Raigad, by his order dated April 23, 2014, imposed a fine of ₹ 2,000 each against our Company, Kapil Bagla and Rajesh Dhaktode, in his capacity as the General Manager, Human Resources under Section 21 of the Maternity Benefit Act, 1961 for non-maintenance of the benefit register and failure to display an abstract of the Maternity Benefit Act, 1961 at a conspicuous place.
5. Pursuant to a complaint by the Government Labour Officer, the Judicial Magistrate First Class at Khalapur, district Raigad, by his order dated April 23, 2014 imposed a fine of ₹ 1,500 collectively against our Company, Kapil Bagla and Rajesh Dhaktode, in his capacity as the General Manager, Human Resources under Section 22 of the Minimum Wages Act, 1948 for non-maintenance of employee registers and wage slips.
6. According to the information available on www.watchoutinvestors.com, two compounding orders were passed by the RoC between February 1, 2006 and May 31, 2006 involving Manmohan Shetty in relation to his erstwhile directorship in Adlabs Films Limited, now Reliance MediaWorks Limited (“RMWL”). One such compounding order was for default under Section 297 of the Companies Act, 1956 in relation to certain inter-corporate loans and investments in RMWL and the other was for default under Section 209(3)(b) of the Companies Act, 1956 in relation to books of accounts of RMWL. As on the date of this Red Herring Prospectus, Manmohan Shetty has confirmed that he does not possess any documents or information in relation to these compounding orders.
7. For details on past penalties levied on our promoter, Manmohan Shetty and our Directors, Manmohan Shetty and Kapil Bagla, see the section “ – Regulatory Actions in the last five years” on page 279.

Litigation involving our Group Companies

Litigation by Walkwater Media Limited

Criminal Cases

Walkwater Media Limited (“Walkwater”) has filed a complaint under section 138 of the Negotiable Instruments Act, 1881, bearing number C.C. No. 5250/55/10 of 2010 against WEG Entertainment Private Limited (“WEG”) and others. Walkwater and WEG entered into an agreement dated April 22, 2008 whereby Walkwater invested certain amounts into WEG. The agreement was mutually terminated and it was agreed that the amounts invested by Walkwater would be treated as debt in the hands of WEG, and an agreement dated May 18, 2009 was entered

into pursuant to which WEG agreed to pay Walkwater certain amounts. WEG made certain payments to Walkwater by cheques. However, certain cheques were dishonoured due to insufficiency of funds. Accordingly, Walkwater filed this complaint. The amount under dispute aggregates to approximately ₹ 6.00 million. The matter is pending.

Past Penalties against our Company

1. On October 12, 2011 the Tehsildar, Khalapur, passed an order against our Company in relation to illegal excavation undertaken by our Company (“Tehsildar Order”). In terms of the Tehsildar Order, our Company was directed to pay ₹ 10.54 million towards royalty and penalty payment on account of the unauthorised excavation activities undertaken. Our Company deposited the necessary amount with the government treasury, under protest and with right to appeal. Thereafter, our Company preferred an appeal against the Tehsildar Order before the Sub-Divisional Officer, Panvel (the “SDO”). The SDO, through his order dated July 18, 2013, has partially allowed our Company’s appeal and reduced the amount of penalty imposed through the Tehsildar Order from ₹ 10.54 million to ₹ 2.83 million. Pursuant to the order passed by the SDO, our Company has not claimed back the excess amount paid towards royalty and penalty.
2. For details on past penalties levied on our Company, see the section “ – Regulatory Actions in the last five years” on page 279.

There are no pending litigations by or against Victory Moving Pictures Private Limited as of the date of this Red Herring Prospectus.

Small Scale Industries

Our Company does not owe any small scale undertakings or other creditors any amounts exceeding ₹ 0.1 million which is outstanding for more than 30 days. There are no disputes with such entities in relation to payments to be made to them.

Material Developments

For details of material developments, see the section “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 262.

GOVERNMENT APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies and other statutory and/or regulatory authorities, required for carrying out its present business and except as mentioned below, no further material approvals are required for carrying on our Company's present business. The object clause and objects incidental to the main objects of the Memorandum of Association enable our Company to undertake its existing activities. The registrations and approvals required to be obtained by our Company in respect of its business include the following:

I. Incorporation Details

1. Certificate of incorporation dated February 10, 2010 issued by the RoC to Adlabs Entertainment Private Limited.
2. Fresh certificate of incorporation dated April 27, 2010 issued by the RoC at the time of conversion from a private limited company into a public limited company to Adlabs Entertainment Limited.

II. Approvals in relation to our business

Our Company is required to obtain various approvals in relation to our business. The registrations and approvals obtained by our Company in respect of our business in India include the following:

A. Tax related approvals

1. Permanent Account Number AAICA2573P dated February 10, 2010 under the Income Tax Act, 1961.
2. Service Tax Registration Number AAICA2573PSD001 dated June 1, 2010, last amended on April 29, 2013 under the Finance Act, 1994 read with the Service Tax Rules, 1994.
3. Tax Deduction Account Number MUMA36796E dated July 20, 2010 under the Income Tax Act, 1961.
4. Tax Payer Identification number 27350869991V dated December 20, 2011 under the Maharashtra Value Added Tax Act, 2002.
5. Tax Payer Identification Number 27350869991C dated January 13, 2012 under the Central Sales Tax (Registration and Turnover) Rules, 1957.
6. Professional Tax Registration Certificate bearing number 27350869991P dated December 15, 2011 issued under the Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975 by the Profession Tax Officer (C-016), Recovery, Mumbai.
7. Professional Tax Enrolment Certificate bearing number 99101892824P dated December 15, 2011 issued under the Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975 by the Profession Tax Officer (C-016), Recovery, Mumbai.
8. Certificate of eligibility bearing number MTDC/2013/INCENTIVE/TP-2006/EC-44 dated June 15, 2013 to avail tax and other incentives under the Tourism Policy 2006 issued by the Maharashtra Tourism Development Corporation Limited, Government of Maharashtra.

B. Establishment, business and employment related approvals

Theme Park, water park, hotel and office related approvals

1. Approval granting the status of 'Mega Project' under the Tourism Policy 2006 issued by the Tourism and Cultural Affairs Department, Government of Maharashtra.
2. Registration certificate for establishment of the corporate office of the Company for nature of business of a theme park, amusement park, hotel and resort dated July 18, 2009 and renewed on December 16, 2014 under the Bombay Shops and Establishments Act, 1948 issued by the Office of the Inspector to our Company.
3. Approval for the amusement park dated January 21, 2011 under the Raigad Regional Scheme and the

Regional Scheme Raigad Rules and Regulations issued by the Town Planning Department, Government of Maharashtra.

4. No objection certificates from the police department dated December 31, 2014 for the water park and dated March 26, 2013 for the theme park for operation of the parks.
5. Renewed permission dated January 2, 2015 for payment of entertainment duty in respect of the theme park under the Maharashtra Entertainment Duty Act, 1923 issued by the Office of Collector, Raigad, Alibaug.
6. Renewed permission dated January 2, 2015 for payment of entertainment duty in respect of the water park under the Maharashtra Entertainment Duty Act, 1923 issued by the Office of Collector, Raigad, Alibaug.
7. No objection certificate dated December 11, 2014, issued by the Deputy Engineers Office (Mechanical), Public Works Sub Division, Alibaug for operating rides and attractions and stating that such rides and attractions have been found to be safe and are in operating condition.
8. No objection certificate for operation of rides dated December 11, 2014, issued under the Indian Electricity Rules, 1956 by the Office of the Electrical Inspector, Inspection Department, Raigad, Industrial Energy and Labour Division.
9. Approval for permission to sell tickets under the Maharashtra Entertainment Charges Act, 1993 issued by the Office of the District Collector, Alibaug.

Environment related approvals

10. No objection certificate for carrying on the activities in relation to Imagica - The Theme Park including supply of water, shifting of electrical tower and station, for construction and for storage of diesel and petroleum products dated January 5, 2011 issued by the Gram Panchayat, Raigad, Alibaug.
11. Approval granted for environmental clearance for the proposed theme park project dated December 27, 2011 under the Environmental Impact Assessment Notification 2006 issued by the SEAC Environment Department, Government of Maharashtra.
12. Consent to establish the hotel comprising 116 rooms, including swimming pool and laundry activity dated September 18, 2014 issued under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 issued by the Maharashtra Pollution Control Board, as amended by the consent dated December 26, 2014 which extended the consent to establish to 287 rooms.

Utilities related approvals

13. Permission for the supply of water from the lake of Kolate Mokashi at Imagica – The Theme Park dated December 7, 2011 issued by the Water Division Department, Konkan Division.
14. No objection certificate for the amusement park and theme park (recreation centre) dated March 18, 2014 under the Maharashtra Fire Prevention and Life Safety Measure Act, 2006 and the Maharashtra Fire Prevention and Life Safety Measure Rules, 2009 issued by the Directorate of Maharashtra Fire Services.
15. Provisional no objection certificate dated January 31, 2015 for the construction of the hotel issued by the Directorate of Maharashtra Fire Services.
16. Order for use of the project land for non-agricultural purposes issued by the Office of the Collector, Raigad, under the Maharashtra Land Revenue Code, 1966 and the rules made thereunder.
17. No objection certificate for non applicability of the forest regulations in use of land for non-agricultural purposes dated December 7, 2010 under the Forest Regulations Act, 1926 issued by the Office of the Deputy Conservator of Forest, Alibaug.

18. No objection certificate for health for use of land for non-agricultural purposes dated September 20, 2010 issued by the District Health Officer, Alibaug.

Food and beverage related approvals

19. License to carry out the business of a restaurant, kitchen canteen and store room, amongst others, at Imagica – the Theme Park and Aquamagica – the water park, under the Food Safety & Standards Act, 2006 issued by the Designated Officer and Assistant Commissioner, Food and Drug Administration.
20. Certificate of registration of restaurants as eating houses and for sale of toffee, chocolate and other food items at Imagica – the Theme Park and Aquamagica – the water park under the Bombay Police Act, 1951 issued by Executive Magistrate, Khalapur.
21. License to sell foreign liquors at The Boat Restaurant, Zeze Bar & Grill Restaurant and Hotel Salimgarh Restaurant at Imagica – the Theme Park under the Bombay Prohibition Act, 1949 issued by Collector of Raigad, Alibaug.
22. Health no objection certificates dated March 28, 2014 issued by the District Health Officer, Raigad Zilla Parishad in relation to the restaurants, food outlets and bars in the theme park.
23. Health no objection certificates dated July 9, 2014 issued by the District Health Officer, Raigad Zilla Parishad in relation to restaurants and food outlets in the water park.

Employment related approvals

24. Allotment of Employees' Provident Fund code under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 to our Company by the Employees' Provident Fund Organisation.
25. Allotment of Employees State Insurance code under the Employees State Insurance Act, 1948 to our Company by the Employees State Insurance Corporation.
26. License for contract labour under the Contract Labour (Regulation and Abolition) Act, 1970 issued by the Office of the Assistant Commissioner of Labour and Registering Officer.

Miscellaneous

27. License to store compressed natural gas under the Explosives Act, 1884 issued by the Chief Controller of Explosives, Petroleum & Explosives Safety Organization, Government of India and the Joint Chief Controller of Explosives, West Circle, Navi Mumbai.
28. No objection certificate for the import of radioactive material dated February 10, 2010 under the Atomic Energy Act, 1962 read in conjunction with the Atomic Energy (Radiation Protection) Rules, 2004 issued by the Atomic Energy Regulatory Board, Government of India.
29. Legal metrology certificate for manufacturing and packaging articles under the Legal Metrology Act, 2009 issued by the Assistant Controller, Legal Metrology, Alibaug.
30. Certificate of Importer-Exporter Code dated August 26, 2011 issued by the office of Zonal Director General of Foreign Trade.
31. Public performance license to perform all musical and literary works issued by The Indian Performing Rights Society Limited.
32. Central Board of Film certification for theatrical release of film 'I for India – pre show' and 'I for India' issued by the Central Board of Film Certification, Government of India.

Our Company has made applications for some of the registrations and approvals to be obtained by our Company which are set out below:

1. Application dated November 26, 2014 made for renewal of the consent to operate the theme park and the water park dated February 15, 2013 under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 issued by the MPCB which was granted for a

period up to November 30, 2014 and required renewal application to be made at least 60 days prior to such date.

2. Application to the Hon'ble Tehsildar, Khalapur, dated January 29, 2015, for change in the name in the eating house license issued from 'Big Cheese Bar' to 'Sun Beatz – Pizza Labanese Bar'.

Our Company is yet to make applications for certain approvals, the details of which are set out below:

1. Application for extension of time for acquisition of specified land under the order of the Directorate of Industries through the Development Commissioner (Industries), Government of Maharashtra, dated February 11, 2014, issued in relation to the purchase of agricultural land for bonafide industrial use for inter alia setting up tourism project, theme park, water park, hotel resorts, dining and entertainment, related activity under the Bombay Tenancy and Agricultural Land Act, 1948.
2. In relation to the hotel, application for consent to operate and amendment to environmental clearance (for the theme park) for water consumption, effluent generation and sewage treatment plant capacity, etc.to incorporate requirements for the hotel.

In relation to our hotel which is presently under construction, our Company shall make applications for relevant approvals and licenses which are necessary for its development and operation.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors has approved the Issue pursuant to the resolution passed at their meeting held on May 17, 2014 and our Shareholders have approved the Issue pursuant to a resolution passed at the EGM held on May 17, 2014.

The Selling Shareholder has approved the Offer for Sale pursuant to the resolution dated April 17, 2014 passed by its board of directors.

The Selling Shareholder has confirmed that it has held the Equity Shares proposed to be offered and sold in the Offer for Sale for at least one year prior to the date of filing this Draft Red Herring Prospectus with SEBI and that it has not been prohibited from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory authority and the Equity Shares offered and sold by it are free from any charge, encumbrance or contractual restrictions. The Selling Shareholder has also confirmed that it is the legal and beneficial owner of the Equity Shares being offered under the Offer for Sale.

Our Company received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated June 19, 2014 and June 25, 2014, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group, the Group Companies, the persons in control of our Company, the natural persons in control of the corporate Promoter and the Selling Shareholder have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoter, Directors or persons in control of our Company are or were associated as promoter, directors or persons in control have not been prohibited from accessing in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as set out below, none of the entities that our Directors are associated with are engaged in securities market related business and are registered with SEBI:

- Manmohan Shetty is a non-executive director on the board of directors of Centrum, a merchant banker (Category I) with SEBI registration number INM000010445. Centrum had received an enquiry notice from SEBI dated August 19, 2013 under Regulation 25 of Securities and Exchange Board of India (Intermediaries) Regulations, 2008 in relation to an open offer under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 which was managed by Centrum. Centrum has replied to the notice and subsequently filed an application for consent order with SEBI on October 18, 2013. Pursuant to SEBI's Internal Committee meeting held on December 15, 2014, Centrum has submitted its terms of settlement through its letter dated December 29, 2014 and is awaiting SEBI's decision in respect of the same.
- Prashant Purker is a director on the board of directors of ICICI Venture Funds Management Company Limited, which is registered with SEBI under the SEBI (Investment Advisers) Regulations, 2013 with the registration number INA000000375. No action has been initiated against ICICI Venture Funds Management Company Limited by SEBI.

Prohibition by RBI

Neither our Company, nor our Promoters, relatives of our Promoters, Directors, Group Companies, nor the Selling Shareholder has been identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with the Regulation 26(2) of the SEBI ICDR Regulations, which states as follows:

- (2) *“An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer*

if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers.”

We are an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 26(2) of the SEBI ICDR Regulations.

- We are complying with Regulation 26(2) of the SEBI ICDR Regulations and at least 75% of the Issue 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.
- We are complying with Regulation 43(2) of the SEBI ICDR Regulations and Non-Institutional Bidders and Retail Individual Bidders will be allocated not more than 15% and 10% of the Issuer, respectively.

Hence, we are eligible for the Issue under Regulation 26(2) of the SEBI ICDR Regulations.

Further our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 failing which the entire application monies shall be refunded forthwith.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE GLOBAL CO-ORDINATORS AND LEAD MANAGERS, DEUTSCHE EQUITIES INDIA PRIVATE LIMITED, CENTRUM CAPITAL LIMITED AND KOTAK MAHINDRA CAPITAL COMPANY LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE GLOBAL CO-ORDINATORS AND LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE GLOBAL CO-ORDINATORS AND LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 20, 2014 WHICH READS AS FOLLOWS:

WE, THE GLOBAL CO-ORDINATORS AND LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 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 ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDER, WE CONFIRM THAT:**

- (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE “SEBI (ICDR) REGULATIONS”) AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE
 5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
 6. WE CERTIFY THAT REGULATION 33 OF THE SEBI (ICDR) REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS’ CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. - 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 ISSUE. 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 PROMOTER’S 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 ISSUE. NOT APPLICABLE
 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE ‘MAIN OBJECTS’ LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY.

AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE ISSUE HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI (ICDR) REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI (ICDR) REGULATIONS WHILE MAKING THE ISSUE. - COMPLIED WITH AND NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI (ICDR) REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)', AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE

WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS

The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Issue. SEBI further reserves the right to take up at any point of time, with GCLMs, any irregularities or lapses in this Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26 and 30 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholder and the GCLMs

Our Company, the Directors, the Selling Shareholder and GCLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.adlabsimagica.in, would be doing so at his or her own risk.

GCLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder and our Company.

All information shall be made available by our Company, the Selling Shareholder and the GCLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The GCLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholder and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholder and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and to FIIs, Eligible NRIs, QFIs and FPIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will

be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus had been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional investors (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) of the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Disclaimer Clause of BSE

BSE has given *vide* its letter dated June 19, 2014 permission to the Company to use BSE's name in this offer document as one of the stock exchanges on which the Company's securities are proposed to be listed. BSE has scrutinised this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE 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 the Company's securities will be listed or will continue to be listed on BSE; or
- c) take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company;

and it should not for any reason be deemed or construed to mean that this offer document has been cleared or approved by BSE. Every Person who desires to apply for or otherwise acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this offer document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given *vide* its letter Ref.: NSE/LIST/242745-2 dated June 25, 2014 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. NSE 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 NSE 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 this Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai- 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 would be delivered for registration to the RoC at Mumbai and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies, Everest, 100 Marine Drive, Mumbai 400 002, Maharashtra, India.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholder will forthwith repay, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholder and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within 12 Working Days of the Bid/Issue Closing Date.

Price information of past issues handled by the GCLMs

A. Deutsche

1. Price information of past issues handled by Deutsche

| Sr. No. | Issue Name | Issue Size (₹ in million) | Issue price ^(a) (₹) | Listing date | Opening price on listing date | Closing price on listing date | % Change in Price on listing date (Closing) vs. Issue Price | Benchmark index on listing date ^(b) (Closing) | Closing price as on 10 th calendar day from listing day | Benchmark index as on 10 th calendar day from listing day ^(b) (Closing) | Closing price as on 20 th calendar day from listing day | Benchmark index as on 20 th calendar day from listing day ^(b) (Closing) | Closing price as on 30 th calendar day from listing day | Benchmark index as on 30 th calendar day from listing day ^(b) (Closing) |
|---------|-------------------------|---------------------------|--------------------------------|-------------------|-------------------------------|-------------------------------|---|--|--|---|--|---|--|---|
| 1. | Bharti Infratel Limited | 41,727.60 | 220.00 | December 28, 2012 | 200.00 | 191.65 | -12.89% | 5,908.35 | 207.40 | 5,988.40 | 204.40 | 6,001.85 | 210.30 | 6,074.80 |

^(a) Excluding any employee/retail discount

^(b) Benchmark index being the index of the designated stock exchange for the respective transaction (i.e. Nifty in case of Bharti Infratel Limited)

Source: www.nseindia.com, www.bseindia.com

2. Summary statement of price information of past issues handled by Deutsche

| Fiscal Year | Total No. of IPOs | Total Funds Raised (₹ in million) | No. of IPOs trading at discount on listing date | | | No. of IPOs trading at premium on listing date | | | No. of IPOs trading at discount as on 30 th calendar day from listing day | | | No. of IPOs trading at premium as on 30 th calendar day from listing day | | |
|-------------|-------------------|-----------------------------------|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2012-2013 | 1 | 41,727.60 | - | - | 1 | - | - | - | - | - | 1 | - | - | - |
| 2013-2014 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2014-2015 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

Source: www.nseindia.com, www.bseindia.com

Note: In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.

B. Centrum

1. Price information of past issues handled by Centrum

| Sr. No. | Issue Name | Issue size (INR) | Issue price (INR) | Listing date | Opening price on listing date | Closing price on listing date | % Change in Price on listing date (Closing) vs. Issue Price | Benchmark index on listing date (Closing) | Closing price as on 10 th calendar day from listing day | Benchmark index as on 10 th calendar day from listing day (Closing) | Closing price as on 20 th calendar day from listing day | Benchmark index as on 20 th calendar day from listing day (Closing) | Closing price as on 30 th calendar day from listing day | Benchmark index as on 30 th calendar day from listing day (Closing) |
|---------|------------|------------------|-------------------|--------------|-------------------------------|-------------------------------|---|---|--|--|--|--|--|--|
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

2. Summary statement of price information of past issues handled by Centrum

| Fiscal Year | Total No. of IPOs | Total Funds Raised (INR) | No. of IPOs trading at discount on listing date | | | No. of IPOs trading at premium on listing date | | | No. of IPOs trading at discount as on 30 th calendar day from listing day | | | No. of IPOs trading at premium as on 30 th calendar day from listing day | | |
|-------------|-------------------|--------------------------|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2012-2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2013-2014 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2014-2015 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

C. Kotak

1. Price information of past issues handled by Kotak

| Sr No | Issue Name | Issue Size (₹ in million) | Issue price (₹) | Listing date | Opening price on listing date | Closing price on listing date | % Change in Price on listing date (Closing) vs. Issue Price | Benchmark index on listing date (Closing) | Closing price as on 10 th calendar day from listing day | Benchmark index as on 10 th calendar days from listing day (Closing) | Closing price as on 20 th calendar day from listing day | Benchmark index as on 20 th calendar days from listing day (Closing) | Closing price as on 30 th calendar day from listing day | Benchmark index as on 30 th calendar days from listing day (Closing) |
|-------|--|---------------------------|-----------------|-------------------|-------------------------------|-------------------------------|---|---|--|---|--|---|--|---|
| 1. | Bharti Infratel Limited ⁽¹⁾ | 41,727.60 | 220.00 | December 28, 2012 | 200.00 | 191.65 | -12.89% | 5,908.35 | 207.40 | 5,988.40 | 204.40 | 6,001.85 | 210.30 | 6,074.80 |
| 2. | PC Jeweller Limited ⁽²⁾ | 6,013.08 | 135.00 | December 27, 2012 | 137.00 | 149.20 | 10.52% | 5,870.10 | 181.65 | 5,988.40 | 168.90 | 6,056.60 | 157.55 | 6,074.65 |

| Sr No | Issue Name | Issue Size (₹ in million) | Issue price (₹) | Listing date | Opening price on listing date | Closing price on listing date | % Change in Price on listing date (Closing) vs. Issue Price | Benchmark index on listing date (Closing) | Closing price as on 10 th calendar day from listing day | Benchmark index as on 10 th calendar days from listing day (Closing) | Closing price as on 20 th calendar day from listing day | Benchmark index as on 20 th calendar days from listing day (Closing) | Closing price as on 30 th calendar day from listing day | Benchmark index as on 30 th calendar days from listing day (Closing) |
|-------|------------------------------------|---------------------------|-----------------|-------------------|-------------------------------|-------------------------------|---|---|--|---|--|---|--|---|
| 3. | Credit Analysis & Research Limited | 5,399.78 | 750.00 | December 26, 2012 | 940.00 | 922.55 | 23.01% | 5,905.60 | 934.75 | 6,016.15 | 923.45 | 6,024.05 | 920.85 | 6,019.35 |
| 4. | Speciality Restaurants Limited | 1,760.91 | 150.00 | May 30, 2012 | 152.00 | 159.60 | 6.40% | 4,950.75 | 182.45 | 5,068.35 | 206.65 | 5,064.25 | 213.05 | 5,149.15 |

Source: www.nseindia.com

(1) In Bharti Infratel Limited, the anchor investor issue price was ₹ 230 per equity share and the issue price after discount to Retail Individual Bidders was ₹ 210 per equity share.

(2) In PC Jeweller Limited, the issue price after discount to Retail Individual Bidders and Eligible Employees was ₹ 130 per equity share.

2. Summary statement of price information of past issues handled by Kotak

| Fiscal Year | Total No. of IPOs | Total Funds Raised (₹ Million) | No. of IPOs trading at discount on listing date | | | No. of IPOs trading at premium on listing date | | | No. of IPOs trading at discount as on 30th calendar day from listing day | | | No. of IPOs trading at premium as on 30th calendar day from listing day | | |
|----------------------------------|-------------------|--------------------------------|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| April 1, 2014 – January 31, 2015 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2013-14 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2012-13 | 4 | 54,901.36 | - | - | 1 | - | - | 3 | - | - | 1 | - | 1 | 2 |

Track record of past issues handled by the GCLMs

For details regarding the track record of the Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please see the websites of the GCLM, as set forth in the table below:

| Sr. No | Name of the GCLM | Website |
|--------|------------------|---|
| 1. | Deutsche | https://www.db.com/india/en/content/deutsche-equities-india.html |
| 2. | Centrum | http://www.centrum.co.in/centrum_capital/track-record.php |
| 3. | Kotak | http:// investmentbank.kotak.com/track-record/Disclaimer.html |

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, Statutory Auditors, legal advisors, Banker/Lenders to our Company and (b) the GCLMs, the Syndicate Members, the Escrow Collection Banks and the Registrar to the Issue to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, the Statutory Auditors, A. T. Jain & Co., Chartered Accountants, have given their written consent for inclusion of their report dated January 31, 2015 on the restated standalone financial statements of our Company, their report dated January 31, 2015 on the restated consolidated financial statements of our Company, and the statement of tax benefits dated January 31, 2015, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

Expert to the Issue

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

Our Company has received written consent from the Statutory Auditors namely, A. T. Jain & Co., Chartered Accountants, to include their name as an expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to their report dated January 31, 2015 on the restated standalone financial statements of our Company, their report dated January 31, 2015 on the restated consolidated financial statements of our Company, and the statement of tax benefits dated January 31, 2015, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

Issue Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Issue expenses, see the section "Objects of the Issue" on page 89.

The Issue expenses in relation to the listing fee will be borne by our Company and all other expenses relating to the Issue as mentioned above will be shared between our Company and the Selling Shareholder in proportion of the Equity Shares offered in the Issue.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as mutually agreed between our Company, GCLMs and Syndicate Members. The details of total fees payable to the Syndicate will be disclosed in the Prospectus in the section "Objects of the Issue" on page 89.

Commission payable to the Registered Brokers

For details of the commission payable to the Registered Brokers, see the section "Objects of the Issue" on page 89.

Fees Payable to the Registrar to the Issue

The fees payable by our Company and the Selling Shareholder to the Registrar to the Issue for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated April 30, 2014 entered into, between our Company, the Selling Shareholder and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

The Selling Shareholder will reimburse our Company a part of the expenses incurred proportionately.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in the section “Capital Structure” on page 75, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company’s inception.

Previous capital issue during the previous three years by listed Group Companies and associates of our Company

None of the Group Companies and associates of our Company have undertaken a capital issue in the last three years preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies and associates of our Company

Our Company has not undertaken any previous public or rights issue. None of the Group Companies or associates of our Company have undertaken any public or rights issue in the last ten years preceding the date of this Red Herring Prospectus.

Outstanding Debentures or Bonds

Our Company does not have any outstanding debentures or bonds as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement among the Registrar to the Issue, our Company and the Selling Shareholder provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of despatch of the letters of Allotment, demat credit and refund orders, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB and the Syndicate Members at the Specified Locations with whom the Bid cum Application Form was submitted. In addition to the information indicated above, the ASBA Bidder should also specify the Designated Branch or the collection centre of the SCSB or the address of the centre of the Syndicate Member at the Specified Locations where the Bid cum Application Form was submitted by the ASBA Bidder.

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

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders' Relationship Committee comprising Anjali Seth, Prashant Purker, and Kapil Bagla as members. For details, see the section "Our Management" on page 152.

Our Company has also appointed Ghanshyam Jhala, Company Secretary of our Company as the Compliance Officer for the Issue and he may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

Ghanshyam Singh Jhala

9th Floor, Lotus Business Park
New Link Road, Andheri (West)
Mumbai 400 053
Maharashtra, India
Tel: +91 22 4068 0000
Fax: +91 22 4068 0088
E-mail: compliance@adlabsentertainment.com

Changes in Auditors

Our Company has not changed its auditors since incorporation.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

Our Company has not re-valued its assets since its incorporation.

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this Issue are subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, the Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Equity Shares under the Issue, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section “Main Provisions of Articles of Association” on page 361.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum and Articles of Association and provisions of the Equity Listing Agreement to be entered into with the Stock Exchanges. For further details in relation to dividends, see the sections “Dividend Policy” and “Main Provisions of the Articles of Association” on pages 169 and 361, respectively.

Face Value and Issue Price

The face value of each Equity Share is ₹10 and the Issue Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company and the Selling Shareholder in consultation with the GCLMs and advertised in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti, each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Retail Discount

Our Company may, in consultation with the Selling Shareholder and the GCLMs, offer a discount of [●]% (equivalent to ₹[●]) to the Issue Price to Retail Individual Bidders. The Retail Discount will be decided by our Company and the Selling Shareholder in consultation with the GCLMs and advertised in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti, each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all the disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Equity Listing Agreements with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see the section “Main Provisions of Articles of Association” on page 361.

Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated April 21, 2014 among NSDL, our Company and the Registrar to the Issue;
- Agreement dated May 14, 2014 among CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai.

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional investors (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) of the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A

nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Issue equivalent to at least 25% post-Issue paid up Equity Share capital of our Company (the minimum number of securities as specified under Rule 19(2)(b)(i) of the SCRR), including devolvment of Underwriters, if any, within sixty (60) days from the date of Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law.

Further, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

If at least 75% of the Issue is not Allotted to the QIBs, the entire application money shall be refunded forthwith.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoter's Minimum Contribution and the Anchor Investor lock-in as provided in the section "Capital Structure" on pages 78 to 79 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/ debentures and on their consolidation/ splitting, except as provided in the Articles of Association. For details, see the section "Main Provisions of the Articles of Association" on page 361.

Option to Receive Securities in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialised form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

ISSUE STRUCTURE

Public Issue of up to 20,326,227 Equity Shares for cash at price of ₹ [●] (including a premium of ₹ [●]) aggregating to ₹ [●] million comprising of a Fresh Issue of 18,326,227 Equity Shares aggregating to ₹ [●] million by our Company and Offer of Sale of 2,000,000 Equity Shares aggregating to ₹ [●] million by the Selling Shareholder. The Issue will constitute 25.44% of the post-Issue paid-up Equity Share capital of our Company.

The Issue is being 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 15,244,671 Equity Shares | Not more than 3,048,934 Equity Shares available for allocation | Not more than 2,032,622 Equity Shares available for allocation |
| Percentage of Issue Size available for Allotment/allocation | At least 75% of the Issue Size | Not more than 15% of the Issue Size | Not more than 10% of the Issue Size |
| Basis of Allotment/ allocation if respective category is oversubscribed | <p>Proportionate as follows (excluding the Anchor Investor Portion):</p> <p>(a) up to 304,894 Equity Shares shall be available for allocated on a proportionate basis to Mutual Funds only; and</p> <p>(b) 5,792,975 Equity Shares shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> | Proportionate | <p>In the event, the Bids received from Retail Individual Investors exceeds 2,032,622 Equity Shares, then the maximum number of Retail Individual Investors who can be allocated/Allotted the minimum Bid Lot will be computed by dividing the total number of the Equity Shares available for allocation/Allotment to Retail Individual Investors by the minimum Bid Lot ("Maximum RIB Allottees"). The allocation/Allotment to Retail Individual Investors will then be made in the following manner:</p> <ul style="list-style-type: none"> In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) Retail Individual Investors shall be allocated / Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be allocated/ Allotted on a proportionate basis to the Retail Individual Investors who have received allocation/Allotment as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more |

| Particulars | QIBs ⁽¹⁾ | Non Institutional Bidders | Retail Individual Bidders |
|------------------------------|---|--|---|
| | | | <p>than the minimum Bid Lot).</p> <ul style="list-style-type: none"> In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the Retail Individual Investors (in that category) who will then be allocated/ Allotted minimum Bid Lot shall be determined on draw of lots basis. <p>For details, see the section “Issue Procedure” on page 309.</p> |
| Minimum Bid | Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter. | Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter. | [●] Equity Shares and in multiples of [●] Equity Shares thereafter. |
| Maximum Bid | Such number of Equity Shares not exceeding the size of the Issue, subject to applicable limits. | Such number of Equity Shares not exceeding the size of the Issue, subject to applicable limits. | Such number of Equity Shares so that the Bid Amount does not exceed ₹200,000. |
| Mode of Allotment | Compulsorily in dematerialized form. | Compulsorily in dematerialized form | Compulsorily in dematerialized form. |
| Bid Lot | [●] Equity Shares and in multiples of [●] Equity Shares thereafter. | [●] Equity Shares and in multiples of [●] Equity Shares thereafter. | [●] Equity Shares and in multiples of [●] Equity Shares thereafter. |
| Allotment Lot | [●] Equity Shares and in multiples of one Equity Share thereafter | [●] Equity Shares and in multiples of one Equity Share thereafter | [●] Equity Shares and in multiples of one Equity Share thereafter |
| Trading Lot | One Equity Share | One Equity Share | One Equity Share |
| Who can apply ⁽³⁾ | Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual fund registered with SEBI, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, state industrial development corporation, | Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio | Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta) |

| Particulars | QIBs ⁽¹⁾ | Non Institutional Bidders | Retail Individual Bidders |
|------------------|---|--|--|
| | insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India. | investors. | |
| Terms of Payment | Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form (including for Anchor Investors) ⁽⁴⁾⁽⁵⁾ . | Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form. ⁽⁵⁾ | Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form. ⁽⁵⁾ |

- (1) Our Company and the Selling Shareholder may allocate up to 60% of the QIB Category to Anchor Investor on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see the section "Issue Structure" on page 304.
- (2) Subject to valid Bids being received at or above the Issue Price. This Issue is being made in accordance with Rule 19(2)(b)(i) of the SCRR and under the SEBI ICDR Regulations. This Issue will be made through the Book Building Process wherein at least 75% of the Issue will be Allotted on a proportionate basis to QIBs, provided that our Company may, in consultation with the Selling Shareholder and the GCLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion), shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue will be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
- (3) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.
- (4) Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Forms. The balance, if any, shall be paid within the two Working Days of the Bid/Issue Closing Date.
- (5) In case of ASBA Bidders, the SCSBs shall be authorised to block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.

Under subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company in consultation with the Selling Shareholder and the GCLMs and the Designated Stock Exchange.

Withdrawal of the Issue

Our Company and the Selling Shareholder, in consultation with the GCLMs, reserve the right not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The GCLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

If our Company and the Selling Shareholder withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/Issue Programme

| | |
|----------------------------|-------------------------------|
| BID/ISSUE OPENS ON | March 10, 2015 ⁽¹⁾ |
| BID/ISSUE CLOSES ON | March 12, 2015 |

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

An indicative timetable in respect of the Issue is set out below:

| Event | Indicative Date |
|---|----------------------------|
| Bid/Issue Closing Date | March 12, 2015 |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | On or about March 23, 2015 |
| Initiation of refunds | On or about March 24, 2015 |
| Credit of Equity Shares to demat accounts of Allottees | On or about March 25, 2015 |
| Commencement of trading of the Equity Shares on the Stock Exchanges | On or about March 27, 2015 |

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholder or the GCLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company and the Selling Shareholder, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder confirms that it shall extend all reasonable co-operation required by our Company and the GCLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by each such Selling Shareholder in the Offer for Sale) at all Stock Exchanges within 12 Working Days from the Bid/Issue Closing Date.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time (“IST”)) during the Bid/Issue Period (except the Bid/Issue Closing Date) at the Bidding Centres and the Designated Branches mentioned on the Bid cum Application Form.

On the Bid/Issue Closing Date, the Bids and any revision in the Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. IST and shall be uploaded until (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors after taking into account the total number of applications received up to the closure of timings and reported by GCLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system would be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. IST on the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids will be accepted only on Business Days i.e. Monday to Friday (excluding any public holiday). None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software / hardware system or otherwise.

On Bid/Issue Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by GCLMs to the Stock Exchanges.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data.

Our Company and the Selling Shareholder in consultation with the GCLMs, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the GCLMs and the terminals of the other members of the Syndicate Members.

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “- 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, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the GCLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company, the Selling Shareholder and the GCLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

PART A

Book Building Procedure

The Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be Allotted to QIBs, provided that our Company and the Selling Shareholder may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

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

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bid cum Application Form

Please note that there is a common Bid cum Application Form for ASBA Bidders as well as for non-ASBA Bidders. Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the GCLMs, the Syndicate Members, the Registered Brokers, the SCSBs and the Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available on the websites of the SCSBs, NSE (www.nseindia.com) and BSE (www.bseindia.com) and the terminals of the Registered Brokers. Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the GCLMs.

QIBs (other than Anchor Investors) and Non-Institutional Investors shall mandatorily participate in the Issue only through the ASBA process. Retail Individual Investors can participate in the Issue through the ASBA process as well as the non-ASBA process.

ASBA Bidders must provide bank account details in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected. In relation to non-ASBA Bidders, the bank account details shall be available from the depository account on the basis of the DP ID, Client ID and PAN provided by the non-ASBA Bidders in their Bid cum Application Form.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs, as the case may be, submitted at the Bidding centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such

specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

| Category | Colour of Bid cum Application Form* |
|---|-------------------------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis | White |
| Eligible NRIs, FIIs, FPIs, QFIs or FVCIs, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis | Blue |
| Anchor Investors | White |

* Excluding electronic Bid cum Application Form

Who can Bid?

In addition to the category of Bidders set forth under the section “– General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

Participation by associates and affiliates of the GCLMs and the Syndicate Members

The GCLMs and the Syndicate Members shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the GCLMs and the Syndicate Members may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the GCLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The GCLMs and any persons related to the GCLMs or the Promoters and the Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in 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.

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.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the GCLMs, the Syndicate Members, the Registered Brokers and the SCSBs. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs (applying on a non-repatriation basis) should make payments by inward remittance in foreign exchange through normal banking channels or out of funds held in Non-Resident External (“NRE”) Accounts, Foreign Currency Non-Resident

("FCNR") Accounts, Non-Resident Ordinary ("NRO") Account, or Non-Resident (Special) Rupee Account / Non-Resident Non-Repatriable Term Deposit Account. NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour). Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

Eligible NRIs intending to make payment through freely convertible foreign exchange and bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their NRE or FCNR accounts maintained with banks authorised by the RBI to deal in foreign exchange. Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour), accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Bids by non-resident Bidder bidding on a repatriation basis will not be accepted out of NRO accounts.

Non ASBA Bids by NRIs shall be submitted only in the locations specified in the Bid cum Application Form.

Bids by FPIs, FIIs and QFIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. 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, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a QFI can continue to buy, sell or otherwise deal in securities until January 6, 2015 or until the QFI obtains a certificate of registration as FPI, whichever is earlier. Such QFIs shall be eligible to participate in this Issue in accordance with Schedule 8 of the FEMA Regulations and are required to Bid under the Non-Institutional Bidders category.

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-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

Further, the existing individual and aggregate investment limits for QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue 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.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations and the SEBI FVCI Regulations *inter alia* prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription in an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the 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 reserves the right to reject any Bid by a banking company without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Circular dated July 1, 2014 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

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 Shareholder reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

- (b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPs); and
- (c) the industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPs).

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, Eligible QFIs, insurance companies and provident funds with a minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any such Bid without assigning any reasons therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the GCLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
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 the Bids are submitted at the bidding centres only on forms bearing the stamp of the Syndicate (except in case of electronic forms) or with respect to ASBA Bidders, ensure that your Bid is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account, or to a Registered Broker at the Broker Centres.
6. In relation to the ASBA Bids, ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Syndicate in the Specified Locations or with a Registered Broker at the Broker Centres, and not to the Escrow Collecting Banks (assuming that such bank is not a SCSB) or to our Company or the Selling Shareholder or the Registrar to the Issue;
7. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. QIBs (other than Anchor Investors) and the Non-Institutional Investors should submit their Bids through the ASBA process only;
9. 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;
10. Ensure that you request for and receive a TRS for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs or the Registered Broker (at the Broker Centres);
12. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;
13. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;
14. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process;
15. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;
16. 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 IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
17. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
18. 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.
19. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms.
20. 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;
21. Ensure that the category and sub-category is indicated;
22. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
23. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
24. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the stock exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the

Depository database;

25. In relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Locations) and/or relevant SCSB and/ or the Designated Branch and/ or the Registered Broker at the Broker Centres (except in case of electronic forms);
26. 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;
27. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). ASBA Bidders bidding through a Registered Broker should ensure that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms;
28. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
29. In relation to the ASBA Bids, ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form; and
30. In relation to the ASBA Bids, ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your Bid cum Application Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;
4. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate, the SCSBs or the Registered Brokers only;
6. Do not submit the Bid cum Application Forms to the Escrow Collection Bank(s) (assuming that such bank is not a SCSB), our Company, the Selling Shareholder or the Registrar to the Issue;
7. Do not Bid on a Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or the SCSBs;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue 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;

12. Do not submit the Bid cum Application Form if you are a Non-Resident, except for: (i) an FPI (investing under the foreign portfolio investment scheme in accordance with Schedule 2A of the FEMA Regulations); (ii) an FII (investing under the portfolio investment scheme in accordance with Schedule 2 of the FEMA Regulations); (iii) an Eligible NRI investing on non-repatriation basis in accordance with Schedule 4 of the FEMA Regulations; or (iv) an Eligible QFI investing in accordance with Schedule 8 of the FEMA Regulations;
13. Do not submit the GIR number instead of the PAN;
14. Do not submit the Bids without the full Bid Amount;
15. 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 Issue;
16. 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;
17. If you are a QIB, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date for QIBs;
18. If you are a Non-Institutional Investor or Retail Individual Investor, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;
19. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
20. 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;
21. Do not submit more than five Bid cum Application Forms per ASBA Account;
22. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres;
23. Do not submit ASBA Bids to a member of the Syndicate in the Specified Locations unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Location, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>); and
24. Do not submit ASBA Bids to a Registered Broker unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Registered Broker to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment instructions

In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres in separate clearing session. This separate clearing session will operate thrice a week up to April 30, 2014, thereafter twice a week up to October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Issue Closing Date.

Payment into Escrow Account for non-ASBA Bidders

The payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Retail Individual Investors: "Escrow Account – Adlabs IPO – R"
- (b) In case of Non-Resident Retail Individual Investors: "Escrow Account – Adlabs IPO – NR"

For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “Escrow Account – Adlabs IPO – Anchor Investor - R”
- (b) In case of Non-Resident Anchor Investors: “Escrow Account – Adlabs IPO – Anchor Investor - NR”

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti, each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Selling Shareholder and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with the applicable law, which then would be termed as the ‘Prospectus’. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

shall be liable for action under Section 447.”

Undertakings by our Company

Our Company undertakes the following that:

- if our Company or Selling Shareholder does not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- if our Company and the Selling Shareholder withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company and/or any selling shareholder subsequently decides to proceed with the Issue;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 12 Working Days of the Bid/Issue Closing Date;

- the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- the certificates of the securities/ refund orders to Eligible NRIs shall be despatched within specified time;
- no further Issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription, etc.;
- adequate arrangements shall be made to collect all Bid cum Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment.

Undertakings by the Selling Shareholder

The Selling Shareholder undertakes that:

- the Equity Shares being sold by it pursuant to the Issue, have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;
- it is the legal and beneficial owner of, and has full title to, the Equity Shares being sold in the Issue;
- the Equity Shares being sold by it pursuant to the Issue are free and clear of any liens or encumbrances and shall be transferred to the eligible investors within the time specified under applicable law;
- it shall provide all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the allotment advice and CAN, if required, and refund orders to the extent of the Equity Shares offered by it pursuant to the Issue;
- it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the GCLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Issue;
- funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the Red Herring Prospectus and Prospectus shall be made available to the Registrar to the Issue by the Selling Shareholder;
- it shall provide such reasonable support and extend such reasonable co-operation as may be required by our Company in sending a suitable communication, where refunds are made through electronic transfer of funds, to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- it shall not have recourse to the proceeds of the Issue until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
- if the Selling Shareholder does not proceed with the Issue after the Bid/ Issue Closing Date, the reason thereof shall be given by our Company as a public notice within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly. It shall extend all reasonable cooperation requested by our Company and the GCLMs in this regard;
- it shall not further transfer the Equity Shares except in the Issue during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Issue and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the

Equity Shares offered by it in the Issue;

- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Issue are available for transfer in the Issue within the time specified under applicable law; and
- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Issue.

Utilisation of Issue proceeds

The Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
- the utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

The Selling Shareholder along with our Company declare that all monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations, 2009**”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

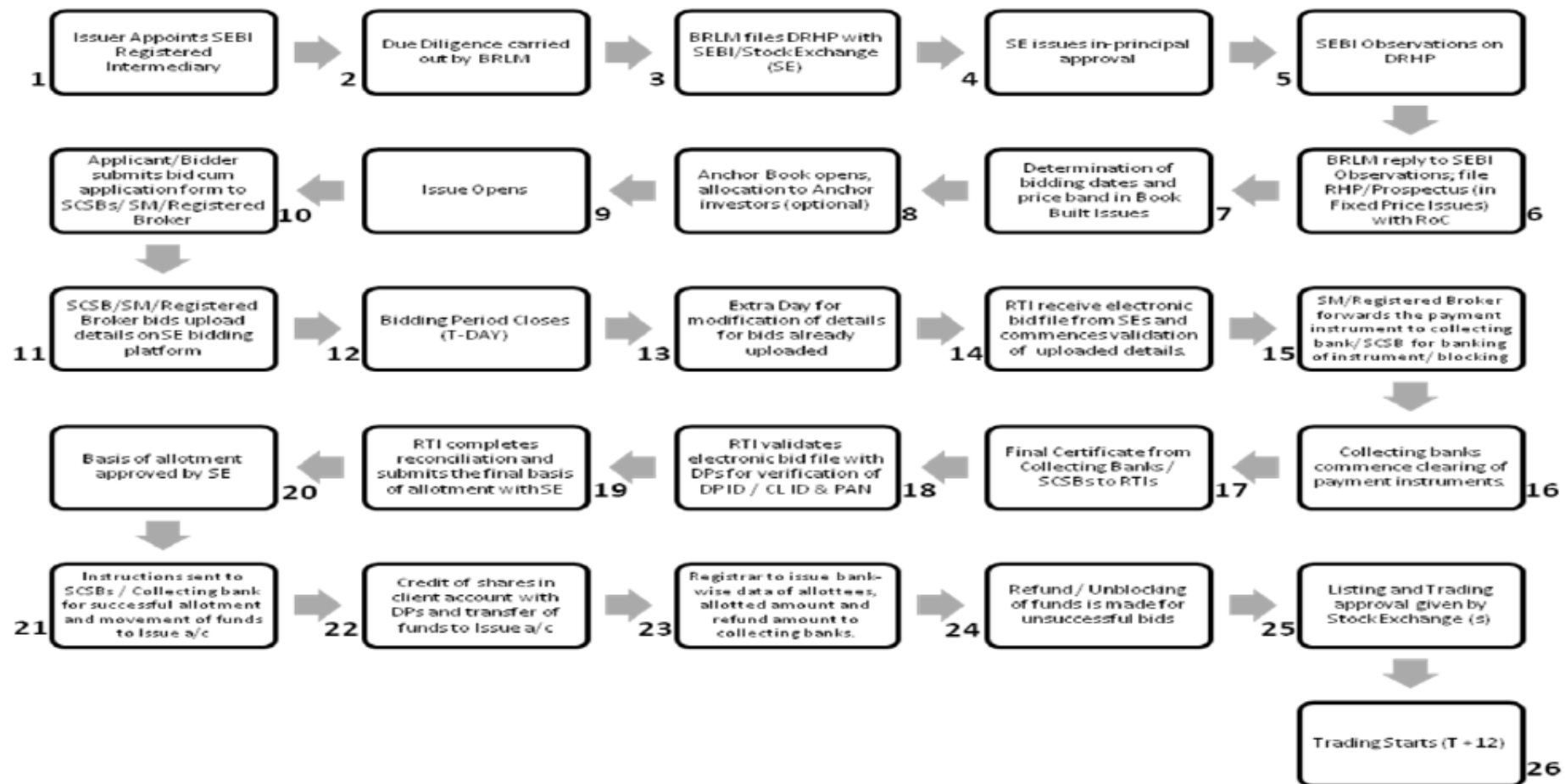
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs.:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
 - i. Step 7 : Determination of Issue Date and Price
 - ii. Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and Non-ASBA forms directly to collection Bank and not to Broker.
 - iii. Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform
 - iv. Step 12: Issue period closes
 - v. Step 15: Not Applicable



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs, QFIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Qualified Foreign Investors subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For

further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

| Category | Color of the Bid cum Application Form |
|--|---------------------------------------|
| Resident Indian, Eligible NRIs applying on a non repatriation basis | White |
| NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, QFIs, on a repatriation basis | Blue |
| Anchor Investors (where applicable) & Bidders/Applicants bidding/applying in the reserved category | [As specified by the Issuer] |

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

| COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA | | XYZ LIMITED - PUBLIC ISSUE - R | | FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI'S APPLYING ON A NON-REPATRIATION BASIS | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|------------------|--|---|-------------|---|---|--|--|--|-----------|------------------|-----------|----------------------------|----------|---------------------------|---------------|---------------|---------------|--------------------------|---------------|-------|-------|-------|-------|--------------------------|---------------|-------|-------|-------|
| Logo To, The Board of Directors XYZ Limited | | BOOK BUILDING ISSUE IN | | Bid cum Application Form No. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SYNDICATE MEMBER'S STAMP & CODE | | BROKER'S/AGENT'S STAMP & CODE | | 1. NAME & CONTACT DETAILS of Sole / First Applicant Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ESCROW/BANK/SCSB BRANCH STAMP & CODE | | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BANK BRANCH SERIAL NO. | | REGISTRAR'S / SCSB SERIAL NO. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL | | | | 2. PAN OF SOLE / FIRST APPLICANT _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off") | | | | 5. Category <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Discount, if any</th> <th>Net Price</th> <th>"Cut-off" (Please tick)</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>7 6 5 4 3 2 1</td> <td>4 3 2 1</td> <td>4 3 2 1</td> <td>4 3 2 1</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> </tbody> </table> | | | | | | Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | | Bid Price | Discount, if any | Net Price | "Cut-off" (Please tick) | Option 1 | 7 6 5 4 3 2 1 | 4 3 2 1 | 4 3 2 1 | 4 3 2 1 | <input type="checkbox"/> | (OR) Option 2 | _____ | _____ | _____ | _____ | <input type="checkbox"/> | (OR) Option 3 | _____ | _____ | _____ |
| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Bid Price | Discount, if any | Net Price | "Cut-off" (Please tick) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Option 1 | 7 6 5 4 3 2 1 | 4 3 2 1 | 4 3 2 1 | 4 3 2 1 | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | _____ | _____ | _____ | _____ | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 3 | _____ | _____ | _____ | _____ | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | | | | PAYMENT OPTIONS <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Paid (₹ in figures) _____ (₹ in words) _____ <input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD) Cheque/DD No. _____ Dated DD MM YY Drawn on (Bank Name & Branch) _____ | | | | <input type="checkbox"/> (B) ASBA Bank A/c No. _____ Bank Name & Branch _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filing up the Bid Cum Application Form given overleaf. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8A. SIGNATURE OF SOLE/ FIRST APPLICANT _____ Date: _____, 2011 | | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY) I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) _____ 2) _____ 3) _____ | | BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| XYZ LIMITED | | Acknowledgement Slip for Syndicate Member / SCSB | | Bid cum Application Form No. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| DPID / CLID | | PAN | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Paid (₹ in figures) | | Bank & Branch | | Stamp & Signature of Banker _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cheque / DD/ASBA Bank A/c No. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Received from Mr./Ms. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Telephone / Mobile | | Email | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TEAR HERE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| XYZ LIMITED | No. of Equity Shares | Option 1 | Option 2 | Option 3 | Stamp & Signature of Syndicate Member / SCSB _____ | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Bid Price | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Amount Paid (₹) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Cheque / DD/ASBA Bank A/c No. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Bank & Branch | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | Name of Sole / First Applicant _____ | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | Acknowledgement Slip for Bidder | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | Bid cum Application Form No. | | | | | | | | | | | | | | | | | | | | | | | | | | |

| COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA | | XYZ LIMITED - PUBLIC ISSUE - NR | | FOR ELIGIBLE NRIs, FIIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|------------------|---|---|---|--|--|--|-----------|------------------|-----------|-------------------------|----------|---------------|---------|---------|---------|--------------------------|---------------|--|--|--|--|--------------------------|---------------|--|--|--|--|--------------------------|--|--|
| Logo To, The Board of Directors XYZ Limited | | BOOK BUILDING ISSUE INE523L01018 | | Bid cum Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SYNDICATE MEMBER'S STAMP & CODE | | BROKER'S/AGENT'S STAMP & CODE | | 1. NAME & CONTACT DETAILS of Sole / First Applicant Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ESCROW BANK / SCRB BRANCH STAMP & CODE | | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BANK BRANCH SERIAL NO. | | REGISTRAR'S / SCRB SERIAL NO. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 2. PAN OF SOLE / FIRST APPLICANT _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID | | | | 6. Investor Status <input type="checkbox"/> NRI Non-Resident Indian (Repatriation basis) <input type="checkbox"/> FII Foreign Institutional Investor <input type="checkbox"/> FVCI Foreign Venture Capital Investor <input type="checkbox"/> FIISA FI Sub Account Corporate / Individual <input type="checkbox"/> OTH Others (Please Specify) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off") <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (in Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Discount, if any</th> <th>Net Price</th> <th>"Cut-off" (Please tick)</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>7 6 5 4 3 2 1</td> <td>4 3 2 1</td> <td>4 3 2 1</td> <td>4 3 2 1</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> </tbody> </table> | | | | Bid Options | No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (in Figures) | | | | Bid Price | Discount, if any | Net Price | "Cut-off" (Please tick) | Option 1 | 7 6 5 4 3 2 1 | 4 3 2 1 | 4 3 2 1 | 4 3 2 1 | <input type="checkbox"/> | (OR) Option 2 | | | | | <input type="checkbox"/> | (OR) Option 3 | | | | | <input type="checkbox"/> | 5. Category <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB | |
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| Option 1 | 7 6 5 4 3 2 1 | 4 3 2 1 | 4 3 2 1 | 4 3 2 1 | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | | | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 3 | | | | | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) Amount Paid (₹ in figures) _____ (₹ in words) _____ <input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD) Cheque/DD No. _____ Dated D / M / Y Y Drawn on (Bank Name & Branch) _____ <input type="checkbox"/> (B) ASBA Bank A/c No. _____ Bank Name & Branch _____ | | | | PAYMENT OPTIONS <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid Cum Application Form given overleaf. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8A. SIGNATURE OF SOLE / FIRST APPLICANT _____ Date: _____, 2011 | | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY) We authorize the SCRB to do all acts as are necessary to make the Application in the Issue 1) _____ 2) _____ 3) _____ | | BROKER'S / SCRB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TEAR HERE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| XYZ LIMITED | | Acknowledgement Slip for Syndicate Member / SCRB | | Bid cum Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| DPID / CLID _____ | | PAN _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Paid (₹ in figures) _____ | | Bank & Branch _____ | | Stamp & Signature of Banker _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cheque / DD/ASBA Bank A/c No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Received from Mr./Ms. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Telephone / Mobile _____ | | Email _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TEAR HERE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| XYZ LIMITED | Option 1 | Option 2 | Option 3 | Stamp & Signature of Syndicate Member / SCRB _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | No. of Equity Shares | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Bid Price | | | | Name of Sole / First Applicant _____ Acknowledgement Slip for Bidder Bid cum Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Amount Paid (₹) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Cheque / DD/ASBA Bank A/c No. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bank & Branch _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application

Form/Application Form may be used to dispatch communications (including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favor of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (d) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (e) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (f) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT**

- (a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available

as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Please note that refunds on account of our Company not receiving the minimum subscription of 90% of the Issue, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))
- (c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- (e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

In case the Bid Amount exceeds Rs. 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 Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 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 Rs. 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 their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (e) In case the Bid Amount reduces to Rs. 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 Rs. 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (g) A Bid cannot be submitted for more than the Issue size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price

may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
 - i. Bids by Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5 : CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of anchor investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.

For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs, QFIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

- (a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.
- (c) QIBs and NIIs can participate in the Issue only through the ASBA mechanism.
- (d) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").
- (e) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for non-ASBA Bidders:**

- (a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.
- (b) **For Bids made through a member of the Syndicate:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the members of the Syndicate at Specified Locations.
- (c) **For Bids made through a Registered Broker:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.

- (d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.
- (e) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.
- (g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Bidders

- (a) ASBA Bidders may submit the Bid cum Application Form either
 - i. in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
 - ii. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - iii. in physical mode to a member of the Syndicate at the Specified Locations, or
 - iv. Registered Brokers of the Stock Exchange
- (b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) **ASBA Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- (g) **ASBA Bidders bidding through a Registered Broker** should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms.
- (h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account

is maintained.

- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/Issue Closing Date.

4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (c) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
 - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
 - iv. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
 - v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- (d) The following details (as applicable) should be quoted while making any queries -
 - i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted.

- iii. In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof.
- iv. In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

| | | | | | | | | | | | |
|--|--|--|----------|--|----------|---|--|--|---------------------------------|-----------|---------------|
| COMMON BID REVISION FORM FOR ASBA / NON-ASBA | | XYZ LIMITED - PUBLIC ISSUE - R | | FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS | | | | | | | |
| Logo | | To, The Board of Directors XYZ Limited | | BOOK BUILDING ISSUE INE523L01018 | | | | | | | |
| | | Bid cum Application Form No. | | | | | | | | | |
| SYNDICATE MEMBER'S STAMP & CODE | | BROKER'S/AGENT'S STAMP & CODE | | 1. NAME & CONTACT DETAILS of Sole / First Applicant | | | | | | | |
| | | | | Mr. / Ms. _____ | | | | | | | |
| ESCROW BANK/SCSB BRANCH STAMP & CODE | | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE | | Tel. No (with STD code) / Mobile _____ | | | | | | | |
| | | | | 2. PAN OF SOLE / FIRST APPLICANT | | | | | | | |
| | | | | _____ | | | | | | | |
| BANK BRANCH SERIAL NO. | | REGISTRAR'S / SCSB SERIAL NO. | | 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL | | | | | | | |
| | | | | _____ | | | | | | | |
| For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID | | | | | | | | | | | |
| PLEASE CHANGE MY BID | | | | | | | | | | | |
| 4. FROM (as per last Bid or Revision) | | | | | | | | | | | |
| Bid Options | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) | | | Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) | | | | | | | |
| | (In Figures) | | | (In Figures) | | | | | | | |
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | Bid Price | Discount, if any | Net Price | "Cut-off" |
| Option 1 | | | | | | | | | | | (Please tick) |
| (OR) Option 2 | | | | | | | | | | | |
| (OR) Option 3 | | | | | | | | | | | |
| 5. TO (Revised Bid) | | | | | | | | | | | |
| Bid Options | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) | | | Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) | | | | | | | |
| | (In Figures) | | | (In Figures) | | | | | | | |
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | Bid Price | Discount, if any | Net Price | "Cut-off" |
| Option 1 | | | | | | | | | | | (Please tick) |
| (OR) Option 2 | | | | | | | | | | | |
| (OR) Option 3 | | | | | | | | | | | |
| 6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | | | | | | | | | | | |
| Additional Amount Paid (₹ in figures) _____ (₹ in words) _____ | | | | | | PAYMENT OPTIONS <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment | | | | | |
| <input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD) <input type="checkbox"/> (B) ASBA Cheque/DD No. _____ Dated DD/MM/YYYY Bank A/c No. _____ Drawn on (Bank Name & Branch) _____ Bank Name & Branch _____ | | | | | | | | | | | |
| I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the instructions for filling up the Bid revision Form given overleaf. | | | | | | | | | | | |
| 7A. SIGNATURE OF SOLE / JOINT APPLICANT(S) | | | | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (FOR ASBA OPTION ONLY) | | | | BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system) | | | |
| Date : _____, 2011 | | | | I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue | | | | | | | |
| | | | | 1) _____ | | | | | | | |
| | | | | 2) _____ | | | | | | | |
| TEAR HERE | | | | | | | | | | | |
| XYZ LIMITED BID REVISION FORM | | | | Acknowledgement Slip for Syndicate Member / SCSB | | | | Bid cum Application Form No. | | | |
| DPID / CLID | | | | PAN | | | | | | | |
| Additional Amount Paid (₹) | | | | Bank & Branch | | | | Stamp & Signature of Banker | | | |
| Cheque / DD/ASBA Bank A/c No. | | | | | | | | | | | |
| Received from Mr./Ms. | | | | | | | | | | | |
| Telephone / Mobile | | | | Email | | | | | | | |
| TEAR HERE | | | | | | | | | | | |
| XYZ LIMITED BID REVISION FORM | Option 1 | | Option 2 | | Option 3 | | Acknowledgement of Syndicate Member / SCSB | | Name of Sole / First Applicant | | |
| | No. of Equity Shares | | | | | | | | | | |
| | Bid Price | | | | | | | | | | |
| | Additional Amount Paid (₹) | | | | | | | | | | |
| | Cheque / DD/ASBA Bank A/c No. | | | | | | | | Acknowledgement Slip for Bidder | | |
| | 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 & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

4.2.3 **FIELD 6: PAYMENT DETAILS**

- (a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.
- (b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate / Registered Broker to whom the original Bid was submitted.

- (e) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (f) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 **INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Issue size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant

and may be rejected.

- ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (i) The following applications may not be treated as multiple Bids:
- i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 **Instructions for non-ASBA Applicants:**

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the

same to the escrow Collection Bank(s).

- (c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.3.5.2 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.3.5.3 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-

| Mode of Application | Submission of Bid cum Application Form |
|----------------------|--|
| Non-ASBA Application | <ol style="list-style-type: none"> 1) To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form 2) To Registered Brokers |
| ASBA Application | <ol style="list-style-type: none"> (a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres (b) To the Designated branches of the SCSBs where the ASBA Account is maintained |

- (a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the

escrow collection banks are liable for rejection.

- (b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.
- (c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (d) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- (a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.
- (b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.
- (c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.
- (d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the

Depository's records.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) In case a RII wishes to withdraw the Bid after the Bid/Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to
 - i. the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,
 - ii. the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,
 - iii. the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or
 - iv. With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.
- (b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUND FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications by OCBs; and
- (c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;
- (e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (g) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (h) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (k) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (m) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (o) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;
- (p) Bids/Applications for a Bid/Application Amount of more than Rs. 200,000 by RIIs by applying through non-ASBA process;
- (q) Bids/Applications for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the RHP;
- (r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

- (s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (t) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (u) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- (v) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;
- (w) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);
- (x) ASBA Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- (y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;
- (z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.
- (b) Under-subscription in Retail category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.
- (c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs. 20 to Rs. 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (Rs.) | 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., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“Alternate Book Building Process”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may

refer to RHP/Prospectus. No Retail Individual Investor is will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

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

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.3(b) below;
- (b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB

Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:
- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to Rs. 10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 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 Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that

category multiplied by the inverse of the over-subscription ratio;

- (d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within 12 Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than Rs. 5 lakhs but which may extend to Rs. 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs. 50,000 but which may extend to Rs. 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not repaid within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, within 70 days from the Bid/Issue Closing Date, the Issuer may forthwith, without interest refund the entire subscription amount received. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If there is a delay beyond the prescribed time, then the Issuer and every director of the Issuer who is an officer in default may be liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI ICDR Regulations, 2009 but fails to allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- (a) **In case of ASBA Bids/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- (b) **In case of Non-ASBA Bid/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/ allotment to Bidders/Applicants.
- (c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the

basis of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds on account of our Company not receiving the minimum subscription of 90% of the Issue, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

- (d) In the case of Bids from Eligible NRIs, FIIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (e) **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;
- (f) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Bidders/Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders/Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (g) **Direct Credit**—Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (h) **RTGS**—Bidders/Applicants having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (i) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received.

Please note that refunds on account of our Company not receiving the minimum subscription of 90% of the Issue shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 Mode of making refunds for ASBA Bidders/Applicants

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

| Term | Description |
|--|--|
| Allotment/ Allot/ Allotted | The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants |
| Allottee | An Bidder/Applicant to whom the Equity Shares are Allotted |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009. |
| Anchor Investor Portion | Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors |
| Application Form | The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue |
| Application Supported by Blocked Amount/ (ASBA)/ASBA | An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant |
| ASBA Bid | A Bid made by an ASBA Bidder |
| ASBA Bidder/Applicant | Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA |

| Term | Description |
|---|--|
| Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker | The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue |
| Bid | An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application |
| Bid /Issue Closing Date | The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date |
| Bid/Issue Opening Date | The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date |
| Bid/Issue Period | Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period |
| Bid Amount | The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount |
| Bid cum Application Form | The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form |
| Bidder/Applicant | Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant |

| Term | Description |
|---|---|
| Book Built Process/ Book Building Process/ Book Building Method | The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made |
| Broker Centres | Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges. |
| BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM | The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM |
| Business Day | Monday to Friday (except public holidays) |
| CAN/Confirmation of Allotment Note | The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange |
| Cap Price | The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Cut-off Price | Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| Designated Date | The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale |
| Designated Stock Exchange | The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer |

| Term | Description |
|--|---|
| Discount | Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| Draft Prospectus | The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band |
| Employees | Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus |
| Equity Shares | Equity shares of the Issuer |
| Escrow Account | Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid |
| Escrow Agreement | Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof |
| Escrow Collection Bank(s) | Refer to definition of Banker(s) to the Issue |
| FCNR Account | Foreign Currency Non-Resident Account |
| First Bidder/Applicant | The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form |
| FII(s) | Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India |
| Fixed Price Issue/Fixed Price Process/Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made |
| Floor Price | The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto |
| FPIs | Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issue | Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable |
| Issuer/ Company | The Issuer proposing the initial public offering/further public offering as applicable |

| Term | Description |
|-------------------------------------|--|
| Issue Price | The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s) |
| Maximum RII Allottees | The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| Mutual Funds Portion | 5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Issue | The Issue less reservation portion |
| Non-Institutional Investors or NIIs | All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Category | The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs, QFIs and FVCIs |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| Offer for Sale | Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder |
| Other Investors | Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |

| Term | Description |
|--|--|
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961 |
| Price Band | Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least two working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation |
| Pricing Date | The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price |
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, 1956 after the Pricing Date, containing the Issue Price ,the size of the Issue and certain other information |
| Public Issue Account | An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date |
| Qualified Foreign Investors or QFIs | <p>Non-Resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet ‘know your client’ requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission’s Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI.</p> <p>Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies</p> |
| QIB Category | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis |
| Qualified Institutional Buyers or QIBs | As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |
| Red Herring Prospectus/ RHP | The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus |
| Refund Account(s) | The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made |

| Term | Description |
|--|--|
| Refund Bank(s) | Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer |
| Refunds through electronic transfer of funds | Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable |
| Registered Broker | Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate |
| Registrar to the Issue/RTI | The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form |
| Reserved Category/ Categories | Categories of persons eligible for making application/bidding under reservation portion |
| Reservation Portion | The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009 |
| Retail Individual Investors / RIIs | Investors who applies or bids for a value of not more than Rs. 200,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies or bids for a value of not more than Rs. 200,000. |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis. |
| Revision Form | The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s) |
| RoC | The Registrar of Companies |
| SEBI | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 |
| SEBI ICDR Regulations, 2009 | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| Self Certified Syndicate Bank(s) or SCSB(s) | A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| Specified Locations | Refer to definition of Broker Centers |
| Stock Exchanges/ SE | The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Syndicate | The Book Running Lead Manager(s) and the Syndicate Member |
| Syndicate Agreement | The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants) |
| Syndicate Member(s)/SM | The Syndicate Member(s) as disclosed in the RHP/Prospectus |
| Underwriters | The Book Running Lead Manager(s) and the Syndicate Member(s) |

| Term | Description |
|------------------------|---|
| Underwriting Agreement | The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date |
| Working Day | All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India |

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued Circular 1 of 2014 ("Circular 1 of 2014"), which with effect from April 17, 2014, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on April 16, 2014. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, Circular 1 of 2014 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional investors (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) of the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the GCLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

The Articles of Association of our Company comprise of two parts. In case of inconsistency between Part I and Part II, the provisions of Part II shall be applicable, however, Part II shall become inapplicable from listing of the Equity Shares of our Company on the Stock Exchanges subsequent to the Issue.

PART I of the Articles of Association

PREFERENCE SHARES

Article 6 provides

“(a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.”

ALTERATION OF SHARE CAPITAL

Article 10 provides that “Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

- (a) increase its Share Capital by such amount as it thinks expedient;
- (b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination
- (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
- (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.”

REDUCTION OF SHARE CAPITAL

Article 11 provides that “The Company may, subject to the applicable provisions of the Act and the Companies Act, 1956, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.”

POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Article 12 provides that “Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.”

POWER TO MODIFY RIGHTS

Article 13 provides that “Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Companies Act, 1956 and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is affected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 107(2) of the Companies Act, 1956 and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.”

SHARES AT THE DISPOSAL OF THE DIRECTORS

Article 16 provides that

- “(a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.
- (b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
- (c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.
- (d) In accordance with Section 56 and other applicable provisions of the Act and the Rules:
 - (i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Shareholders against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding rupees two.
 - (ii) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of

allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 15 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.

- (iii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.
- (iv) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.”

CALLS

Article 18 provides that

- “(a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.
- (b) 30 (thirty) days’ notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.
- (c) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Shareholders on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board.
- (d) A call may be revoked or postponed at the discretion of the Board.
- (e) The joint holder of a share shall be jointly and severally liable to pay all installments and calls due in respect thereof.
- (f) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.
- (g) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.
- (h) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by

way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

- (i) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Shareholders as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- (j) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
- (k) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (l) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.
- (m) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.”

COMPANY’S LIEN:

Article 19 provides that

“i. On shares:

- (a) The Company shall have a first and paramount lien:
 - (i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;
 - (ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.
- (b) Company’s lien, if any, on the shares, shall extend to all Dividends payable and bonuses declares from time to time in respect of such shares.
- (c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company’s lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company’s lien shall be restricted to money called or

payable at a fixed price in respect of such shares.

- (d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

- (e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

ii. On Debentures:

- (a) The Company shall have a first and paramount lien:
 - (i) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;
 - (ii) on all Debentures (not being fully paid Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.

- (b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.
- (c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.
- (d) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

- (e) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.”

FORFEITURE OF SHARES

Article 20 provides that

- “(a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- (b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.
- (c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.
- (d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Shareholders, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
- (e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- (f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of

forfeiture.

- (g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- (h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.
- (i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Shareholders in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Shareholders in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- (j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.
- (k) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit."

FURTHER ISSUE OF SHARE CAPITAL

Article 21 provides that

- "(a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
 - (i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:
 - i. 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;
 - ii. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause 1 above shall contain a statement of this right;
 - iii. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;
 - (ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or
 - (iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

- (b) The notice referred to in sub-clause i of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.
- (c) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

- (d) The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Companies Act, 1956.”

TRANSFER AND TRANSMISSION OF SHARES

Article 22 provides that

- “(a) The Company shall maintain a “Register of Transfers” and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
- (c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Shareholders in respect thereof.
- (e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Shareholders and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (f) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

- (g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares

upon which the Company has a lien.

- (h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.
- (i) In case of the death of any one or more Shareholders named in the Register of Shareholders as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.
- (j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.
- (k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
- (l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.
- (m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

- (n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the

Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- (o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.
- (q) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Shareholders), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.
- (r) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.”

DEMATERIALIZATION OF SECURITIES

Article 23 provides that

- “(a) De-materialization: Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act .
- (c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for Transfer in contravention of these Articles.
- (d) Options for Investors: Every Person subscribing to the Securities offered by the Company shall have the option to receive security certificates or to hold the Securities with a Depository. Such a Person who is the Beneficial Owner of the Securities can, at any time, opt out of a Depository, if permitted by Law, in respect of any Securities in a manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required Certificate of Securities.

- (e) If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.
- (f) Securities in Depositories to be in fungible form: All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 112 of the Act and Section 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
- (g) Rights of Depositories & Beneficial Owners:
 - (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.
 - (ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
 - (iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.
 - (iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.
- (h) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.
- (i) Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.
- (j) Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.
- (k) Service of Documents: Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- (l) Transfer of Securities:
 - (i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial

Owners in the records of a Depository.

- (ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.
- (m) Allotment of Securities dealt with in a Depository: Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.
- (n) Certificate Number and other details of Securities in Depository: Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- (o) Register and Index of Beneficial Owners: The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.
- (p) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.
- (q) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.
- (r) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
- (s) Overriding effect of this Article:

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.”

NOMINATION BY SECURITIES HOLDERS

Article 24 provides that

- “(a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.
- (b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014,

purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

- (d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.
- (e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.”

NOMINATION IN CERTAIN OTHER CASES

Article 26 provides “Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.”

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

Article 27 provides that “Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.”

BORROWING POWERS

Article 28 provides that

- “(a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:
 - (i) accept or renew deposits from Shareholders;
 - (ii) borrow money by way of issuance of Debentures;
 - (iii) borrow money otherwise than on Debentures;
 - (iv) accept deposits from Shareholders either in advance of calls or otherwise; and
 - (v) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

Provided further that the approval of holders of Equity Shares taken in terms of the provisions of Section 293 (1) (d) of the Companies Act, 1956 vide the resolution passed in the General Meeting dated February 21, 2012 shall remain valid till September 11, 2014 in case the limits specified under the said resolution are not exhausted till the aforesaid date.

- (b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

However, the approval of holders of Equity Shares taken in terms of the provisions of Section 293 (1) (a) of the Companies Act, 1956 vide the resolution passed in the General Meeting dated February 21, 2012 shall remain valid till September 11, 2014 in case the limits specified under the said resolution are not exhausted till the aforesaid date.

- (c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.
- (d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- (e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.
- (f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.
- (g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company."

ANNUAL GENERAL MEETING

Article 31 provides that "In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be an Extraordinary General Meetings."

NOTICE OF GENERAL MEETINGS

Article 34 provides that

- “(a) Number of days’ notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

- (a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
 - (b) Auditor or Auditors of the Company, and
 - (c) all Directors.
- (b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.
- (c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.
- (d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.
- (e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.
- (g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.”

REQUISITION OF EXTRAORDINARY GENERAL MEETING

Article 35 provides that

- “(a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- (b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- (d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- (e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
- (f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- (g) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.”

NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

Article 36 provides that “The quorum for the Shareholders’ Meeting shall be in accordance with Section 103 of the Act.

Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders’ Meeting, the Shareholders’ Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders’ Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.”

CHAIRMAN OF THE GENERAL MEETING

Article 37 provides that “The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director be present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their number to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.”

CHAIRMAN CAN ADJOURN THE GENERAL MEETING

Article 38 provides that “The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be

transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.”

QUESTIONS AT GENERAL MEETING HOW DECIDED

Article 39 provides that

- “(a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- (b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- (c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- (d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- (e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.
- (f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- (g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- (h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.”

PASSING RESOLUTIONS BY POSTAL BALLOT

Article 40 provides that

- “(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.”

VOTES OF MEMBERS

Article 41 provides that

- “(a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- (b) No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.
- (c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- (d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- (e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- (f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Shareholders shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- (g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- (h) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

- (i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- (j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- (k) A Shareholder present by proxy shall be entitled to vote only on a poll.
- (l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.
- (m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.
- (n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
- (o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- (p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
- (q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
 - (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
 - (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- (vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
- (vii) Any such Minutes shall be evidence of the proceedings recorded therein.
- (viii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- (ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -
 - a) the names of the Directors and Alternate Directors present at each General Meeting;
 - b) all Resolutions and proceedings of General Meeting.
- (r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Section 164(1) of the Act in accordance with these Articles.
- (s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.
- (t) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- (u) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.
- (v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).
- (w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration)."

DIRECTORS

Article 42 provides that "Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen).

The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the listing agreement.

The Board shall have an optimum combination of executive and Independent Directors with atleast 1 (one) woman Director, as may be prescribed by Law from time to time.”

CHAIRMAN OF THE BOARD OF DIRECTORS

Article 43 provides that

- “(a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.
- (a) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.”

APPOINTMENT OF ALTERNATE DIRECTORS

Article 44 provides that “Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called “**the Original Director**”) (subject to such person being acceptable to the Chairman) during the Original Director’s absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.”

CASUAL VACANCY AND ADDITIONAL DIRECTORS

Article 45 provides that “Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 42. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.”

DEBENTURE DIRECTORS

Article 46 provides that “If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.”

INDEPENDENT DIRECTORS

Article 47 provides that “The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, such appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Clause 49 of the listing agreement.”

EQUAL POWER TO DIRECTOR

Article 48 provides that “Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.”

NOMINEE DIRECTORS

Article 49 provides that “Whenever the Board enter into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub-committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.”

NO QUALIFICATION SHARES FOR DIRECTORS

Article 50 provides that “A Director shall not be required to hold any qualification shares of the Company.”

MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Article 63 provides that “Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act.”

PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

Article 64 provides that “Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s)/ manager he shall ipso facto and immediately cease to be a Director.”

REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Article 65 provides that “The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.”

POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Article 66 provides that “Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.”

POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

Article 67 provides that “The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:

- (a) to make calls on Shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of securities under Section 68 of the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow money(ies);
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statements and the Board’s report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) fees/ compensation payable to non-executive directors including independent directors of the Company; and

- (l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the listing agreement.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

- (a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;
- (b) to borrow money; and
- (c) any such other matter as may be prescribed under the Act, the listing agreement and other applicable provisions of Law.”

POWERS OF THE BOARD

Article 73 provides that “Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

- (a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.
- (b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.
- (c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:
 - i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term ‘undertaking’ and the expression ‘substantially the whole of the undertaking’ shall have the meaning ascribed to them under the provisions of Section 180 of the Act;
 - ii. Remit, or give time for repayment of, any debt due by a Director;
 - iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and
 - iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.”

PASSING OF RESOLUTION BY CIRCULATION

Article 76 provides that “No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.”

REGISTER OF CHARGES

Article 78 provides that “The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.”

CHARGE OF UNCALLED CAPITAL

Article 79 provides that “Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.”

SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL

Article 80 provides that “Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.”

CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY

Article 81 provides that “If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.”

DOCUMENTS AND NOTICES

Article 90 provides that

- “(a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address.
- (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.
- (c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Shareholders in respect of the Share.
- (d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- (e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- (f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post

under a certificate of posting or by registered post or by leaving it at the Office.

- (g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered e-mail address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his e-mail address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA

Article 91 provides that “Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.”

SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

Article 92 provides that “If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.”

SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS

Article 93 provides that “A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.”

PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Article 94 provides that “Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

- (i) To the Shareholders of the Company as provided by these Articles.
- (ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.
- (iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.”

NOTICE BY ADVERTISEMENT

Article 95 “Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.”

DIVIDEND POLICY

Article 96 provides that

- “(a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of

payment.

- (b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- (c)
 - (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that:
 - 1) if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and
 - 2) if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Act against both.
 - (ii) The declaration of the Board as to the amount of the net profits shall be conclusive.
- (d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
- (e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
- (f)
 - (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
 - (ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.
 - (iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.
- (g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
- (h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
- (i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

- (j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- (k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Shareholders in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Shareholders in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.
- (l) No unpaid Dividend shall bear interest as against the Company.
- (m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.
- (n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.
- (o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.”

UNPAID OR UNCLAIMED DIVIDEND

Article 97 provides that

- “(a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the “Unpaid Dividend of ADLABS ENTERTAINMENT LIMITED”.
- (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. “Investors Education and Protection Fund”.
- (c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.”

CAPITALIZATION OF PROFITS

Article 98 provides that “The Company in General Meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts or to the credit of the Company’s profit and loss account or otherwise, as available for distribution, and
- (b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

- (c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
 - (i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
 - (ii) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
 - (iii) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).
- (d) A share premium account may be applied as per Section 52 of the Act, 2013, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.”

RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

Article 99 provides that

- “(a) The Board shall give effect to a Resolution passed by the Company in pursuance of this regulation.
- (b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:
 - (i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and
 - (ii) generally do all acts and things required to give effect thereto.
- (c) The Board shall have full power:
 - (i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and also
 - (ii) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- (d) Any agreement made under such authority shall be effective and binding on all such Shareholders.”

DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

Article 100 provides that

- “(a) If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.”

INSPECTION BY SHAREHOLDERS

Article 103 provides that “The register of charges, register of investments, register of Shareholders, books of accounts and the minutes of the meetings of the Board and Shareholders shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the

Company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.”

AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

Article 104 provides that

- “(a) The Shareholders shall vote for all the Equity Shares owned or held on record by such Shareholders at any Annual or Extraordinary General Meeting of the Company in accordance with these Articles.
- (b) The Shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.
- (c) The Articles of the Company shall not be amended unless (i) Shareholders holding not less than 75% of the Equity Shares (and who are entitled to attend and vote) cast votes in favour of each such amendment/s to the Articles.”

SECRECY

Article 105 provides that “No Shareholder shall be entitled to inspect the Company’s works without the permission of the managing Director/Directors or to require discovery of any information respectively any detail of the Company’s trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.”

DUTIES OF OFFICERS TO OBSERVE SECRECY

Article 106 provides that “Every Director, managing Directors, manager, Secretary, Auditor, trustee, members of committee, Officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors or by a resolution of the Company in a General Meeting or by a court of Law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the Government to require or to hold an investigation into the Company’s affairs.”

PART II of the Articles of Association

Part II of these Articles includes the rights and obligations of the parties to the investment agreement dated August 30, 2013 entered into between the Company, IDBI Trusteeship Services Limited, acting as a debenture trustee for India Advantage Fund-S3 I (acting through ICICI Venture Funds Management Company Limited), Thrill Park Limited, Manmohan Shetty and Aarti Shetty.

In the event of any inconsistency between Part I and Part II of these Articles, the provisions of Part II shall prevail over Part I. However, Part II of these Articles shall automatically terminate and cease to have any force and effect and deemed to fall away on and from the date of listing of Equity Shares of the Company on a stock exchange in India, subsequent to an initial public offering of the Equity Shares of the Company without any further action by the Company or by the Shareholders.

DEFINITIONS

“First QIPO Window” shall mean the period commencing on the 1st (first) Business Day following the Completion Date and ending on the expiry of 18 (eighteen) months from the Completion Date, which period may be extended by 2 (two) months by the Promoter.

“Investor” shall mean IDBI Trusteeship Services Limited, as trustee for India Advantage Fund-S3 I, acting through its investment manager, ICICI Venture Funds Management Company Limited.

“Investor CCDs” shall have the meaning ascribed to such term in Recital E of the Agreement.

“Investor Consent” shall mean the prior written consent of the Investor issued by an authorized representative of the Investor.

“Investor Securities” shall mean any Securities held by the Investor and/or any of its Affiliates in the Company, from time to time.

“Investor Shareholding” shall mean the percentage of the Subscription Consideration / Post-Money Equity Valuation.

“Investor Shares” shall have the meaning ascribed to such term in Recital E of the Agreement.

“Investor Threshold” shall mean such number of Equity Securities held by the Investor in the Company as is equal to 20% (twenty per cent) of the Subscription Securities subscribed to by the Investor on a Fully Diluted Basis at Completion, adjusted for any Identified Adjustment Events.

“IPO” shall mean the public offering of Equity Shares, whether by means of a public issue or an offer for sale, and listing of the Equity Shares and their admission to trading on a Recognized Stock Exchange.

“IPO Commencement Date” shall mean, in the event of a Qualified IPO proposed to be completed (i) within the First QIPO Window, the 1st (first) Business Day of the First QIPO Window; (ii) within the Second QIPO Window, the 1st (first) Business Day of the Second QIPO Window; and (iii) within the Extended Liquidity Window, the 1st (first) Business Day of the Extended Liquidity Window.

“IPO Committee” shall have the meaning ascribed to such term in Article 29(d)(ii).

“IPO Completion Date” shall mean, in the event of a Qualified IPO proposed to be completed (i) within the First QIPO Window, the last Business Day of the First QIPO Window; (ii) within the Second QIPO Window, the last Business Day of the Second QIPO Window; and (iii) within the Extended Liquidity Window, the last Business Day of the Extended Liquidity Window.

“Liquidity Event Date” shall mean the date on which (i) the Investor Securities are purchased by the nominee of the Promoters pursuant to a Qualified Offer; and (ii) the Liquidity Event Price is received by the Investor from the Promoters' nominee, in immediately available funds.

“Liquidity Event Price” shall mean an aggregate price not lower than the Subscription Consideration compounded at an IRR of 17% p.a. (seventeen per cent per annum) for the period between the Completion Date and the Liquidity Event Date.

“New Investor Shares on Conversion” shall mean such number of Equity Shares as is equal to the [Total Investor Shares upon Conversion minus the Investor Shares].

“OFS Ceiling” shall mean the following maximum percentages of Investor Securities held by the Investor and its Affiliates in the Company that the Investor shall have the right (but not an obligation) to offer as part of an offer for sale pursuant to a Qualified IPO:

- a. in the event of a Qualified IPO to be completed within the First QIPO Window: 25% (thirty per cent) of the Investor Securities held by the Investor and its Affiliates in the Company at such time, calculated on a Fully Diluted Basis;
- b. in the event of a Qualified IPO to be completed after the expiry of the First Liquidity Window but in any event before the Second QIPO Window: 50% (fifty per cent) of the Investor Securities held by the Investor and its Affiliates in the Company at such time, calculated on a Fully Diluted Basis;
- c. in the event of a Qualified IPO to be completed after the expiry of the Second QIPO Window but in any event before 48 (forty eight) months from the Completion Date: 75% (seventy five per cent) of the Investor Securities held by the Investor and its Affiliates in the Company at such time, calculated on a Fully Diluted Basis;
- d. in the event of a Qualified IPO to be completed at any time after the expiry of the 48 (forty eight) months from the Completion Date: 100% (one hundred per cent) of the Investor Securities held by the Investor and its Affiliates in the Company at such time, calculated on a Fully Diluted Basis.

“Qualified Offer” shall mean the offer to purchase, by a nominee of the Promoter, of all the Investor Securities held by the Investor and its Affiliates in the Company at the time of such sale, for an aggregate price not lower than the Subscription Consideration compounded at an IRR of 17% p.a. (seventeen per cent per annum) for the period between the Completion Date and the Liquidity Event Date, and which is based on a valuation of 100% (one hundred per cent) of the Equity Share Capital of the Company on a Fully Diluted Basis * [100+15]%, not being not lower than the FMV.

“Qualified Secondary Sale” shall mean the purchase, by an Unrelated Investor, who is either a Financial Investor, or a Strategic Investor, of all the Investor Securities held by the Investor and its Affiliates in the Company as at the date of such purchase, which purchase fulfills each of the following conditions:

- a. such purchase is for all, and not less than all, of the Investor Securities then held by the Investor and its Affiliates, in a single tranche;
- b. such purchase is completed within the Extended Liquidity Window, other than as may be mutually agreed between the Promoters and the Investor;
- c. has an Adjusted Qualified Liquidity Event Valuation, such that the Investment Instrument Value is not lower than [the Subscription Consideration*Conversion Factor];
- d. is completed following a sale process run by a reputed investment banker acceptable to the Investor; and
- e. where the Company has confirmed in writing to the Investor that the value attributed to the Company pursuant to such offer is not less than the FMV of the Company, as at such date.

“Second QIPO Window” shall mean the period commencing on the 1st (first) Business Day following the expiry of the First QIPO Window and ending on the expiry of 36 (thirty six) months from the Completion Date.

FURTHER ISSUE OF SHARES AND PRE-EMPTIVE RIGHTS

Article 21 provides that

- “(a) Pre-emptive Right. The Company shall not issue any Securities of any type or class to any Person (**“Proposed Recipient”**) unless the Company has first offered the existing Shareholders of the Company (in accordance with the provisions of this Article 21) the right to subscribe to any part of the whole of its Pro Rata Share of the Securities proposed to be issued (**“New Securities”**).

- (b) Notice. Not less than 30 (thirty) Business Days before a proposed issuance of securities by the Company (“**Proposed Issuance**”), the Company shall deliver to the existing Shareholders of the Company a written notice of the Proposed Issuance setting forth (i) the number, type and terms of the New Securities, including the subscription price of such New Securities, to be issued New Securities, (ii) the consideration to be received by the Company in connection with the Proposed Issuance and (iii) the identity of the Proposed Recipients (if such Proposed Recipients have already been identified by the Promoters and/or the Company).
- (c) Exercise of Rights. Within 30 (thirty) Business Days following delivery of the notice referred to in Article 21 (b) (“**Pre-Emptive Offer Period**”), any existing Shareholder (“**Subscribing Shareholder**”) may, if it elects to exercise its rights under this Article 21, give written notice to the Company specifying the number of New Securities to be purchased by such Subscribing Shareholder and/or its Affiliates and the aggregate subscription price payable by such Subscribing Shareholder and/or its Affiliates for the subscription to such New Securities (“**Pre-Emptive Exercise Notice**”). Failure by any existing Shareholder to give such notice within the Pre-Emptive Offer Period shall be deemed a waiver by such existing Shareholder of its rights under this Article 21 with respect to such Proposed Issuance. If however any existing Shareholder fails to give the notice required under this Article 21(c) solely on account of the Company’s failure to comply with the notice provisions of Article 21(b), then the Company shall not issue the New Securities pursuant to this Article 21 and if purported to be issued, such issuance of the New Securities shall be void.
- (d) Consents. If any Subscribing Shareholder and/or its Affiliates are entitled to subscribe to New Securities pursuant to the foregoing Articles, the Promoters shall and shall cause the Company to apply for and obtain all such Consents and take all necessary corporate actions as may be required to issue the New Securities to such Subscribing Shareholder and/or its Affiliates within 30 (thirty) Business Days from the date of receipt of the Pre-Emptive Exercise Notice by the Company. In the event any existing Shareholder is desirous of purchasing or subscribing to any New Securities, but is unable to participate due to any restrictions under Law, such existing Shareholder shall have the right to nominate any Person of its election to purchase the New Securities offered in accordance with the provisions of this Article 21, provided such Person (i) in the case of nominee of the Promoters, executes a Deed of Adherence in the form set out at Part D of Schedule 4 of the Agreement, agreeing to be bound by all the obligations of the Promoters under the Agreement; and (ii) in the case of a nominee of the Investor, executes a Deed of Adherence in the form set out at Part C of Schedule 4 of the Agreement, agreeing to be bound by all the obligations of the Investor under the Agreement.
- (e) Failure to Subscribe, if any, of the New Securities are not subscribed to by any existing Shareholder and/or its Affiliates pursuant to this Article 21 (“**Non-Subscribing Shareholder**”), any other Shareholders which are not Non-Subscribing Shareholder (each an “**Eligible Shareholder**”) shall subject to Applicable Law have the option (and not the obligation) to subscribe to such Securities not subscribed to by any Non-Subscribing Shareholder (the “**Unsubscribed Securities Entitlement**”). If more than 1 (one) Eligible Shareholder wishes to subscribe to the Unsubscribed Securities Entitlement (each a “**Supplemental Subscription**”), then such Eligible Shareholders shall make such Supplemental Subscription in proportion to their inter se shareholding in the Company, calculated on a Fully Diluted Basis. For this purpose, in the event that any Non-Subscribing Shareholder notifies the Company of the waiver or rejection of its rights under this Article 21, or in the event that any Non-Subscribing Shareholder does not notify the Company of its election to purchase its Pro Rata Share of the New Securities within the Pre-Emptive Offer Period, then the Company shall notify the other Shareholders of such non-subscription and of the number of New Securities available for subscription pursuant to this Article 21(e). The other Shareholders shall be granted an additional period of 15 (fifteen) Business Days, within which period, the other Shareholders shall notify the Company of their election to subscribe to the Unsubscribed Securities Entitlement. In the event that any of the New Securities are not subscribed to by the Subscribing Shareholders, then the Company may, at its election following the expiration of the Pre-Emptive Offer Period, sell and issue the New Securities or the remaining New Securities to any Proposed Recipient at a price and upon terms not more favourable to the Proposed Recipient than those stated in the notice referred to in Article 21(b); provided that in each case the Proposed Recipient shall agree in writing with the Parties to be bound by the terms and conditions of the Agreement and to execute a Deed of Adherence in the form set out at Part A of Schedule 4 of the Agreement, agreeing to be bound by certain obligations of Shareholders under the Agreement as identified in such Deed of Adherence. In the event the Company has not issued the New Securities to the Proposed Recipient within 3 (three) months from the expiry of Pre-Emptive Offer Period, the Company shall not thereafter issue any Securities to a Proposed Recipient without first offering such

securities to the Shareholders in the manner provided in Article 21(a) above. Failure by such existing shareholder to exercise its option to subscribe for securities with respect to one offering and issuance of the Securities shall not affect its option to subscribe for Securities in any subsequent offering, sale and purchase.

- (f) Nothing in this Article 21 shall apply to any issuance or proposed issuance of any Securities:
 - (i) Pursuant to the terms of an employee stock option plan, approved by the Board in accordance with the provisions of these Articles; or
 - (ii) In a Qualified IPO approved and undertaken by the Company.”

TRANSFER AND TRANSMISSION OF SHARES

Article 22 provides that

- “(a) The Company shall maintain a “Register of Transfers” and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of Shares shall be in writing in the usual common form or in such form as may be prescribed under Section 56 of the Act and shall be delivered to the Company within such time as may be prescribed under the Act.
- (c)
 - (i) An application for the registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.
 - (ii) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (d) Every such instrument of transfer shall be executed by both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Shareholders in respect thereof.
- (e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Shareholders and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (f) Transfers in violation of Agreement

None of the Shareholders shall Transfer or attempt to Transfer any Securities or any right, title or interest therein or thereto, except as expressly permitted by the provisions of the Agreement. Any Transfer or attempt by any Shareholder or its Affiliates to Transfer Securities in violation of the Agreement shall be null and void *ab initio*, and the Company shall not register any such Transfer.
- (g) Transfer by the Investor
 - (i) Subject to the provisions of this Article 22 (g) (i) and Article 28 (b) the Investor Securities shall be freely transferable, other than to a Competitor, and nothing contained in these Articles shall apply to any Transfer of the Investor Securities, provided that upon the occurrence of an Event of Default under the Agreement, the Investor and its Affiliates shall be free to Transfer the Investor Securities to any Person including a Competitor.
 - (ii) In the event that the Investor or any of its Affiliates proposes to Transfer any of the Investor Securities, the Promoters and the Company shall provide all co-operation and assistance to the Investor and such Affiliate(s), including (i) providing any potential transferee and its authorized Representatives with reasonable access to Company information (including all

properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company) and to discuss and consult with respect to its business, actions plans, budgets and finances with the Directors and executive officers of the Company, as may be requested by the Investor, and (ii) providing any assistance that may be required for obtaining any Consents in that regard.

- (iii) Subject to the provisions of Article 28 d, in the event that the Investor proposes to Transfer such number of Securities, not being lower than the Investor Threshold, the Investor shall be entitled to convert the Investor CCDs prior to or simultaneously with a proposed Transfer of any Securities by the Investor in accordance with the Agreement. It is clarified that such Investor CCDs proposed to be Transferred shall convert in accordance with the Conversion Ratio, where for this purpose, the “Qualified Liquidity Event Valuation” shall mean the equity value of the Company ascribed to the Company by the proposed transferee, in determining the price at which such transferee has offered to acquire the Securities of the Company from the Investor.
- (iv) The Investor shall, at any time subject to the provisions of the Agreement, be entitled to seek a third party purchaser to purchase any or all of the Equity Securities held by the Investor and its Affiliates. The Company and the Promoter agree that (i) they shall take all such actions as may be required to facilitate the sale of the Equity Securities by the Investor and its Affiliates to such third party purchaser (including without limitation by way of providing necessary disclosures of information, access to information, documentation and management of the Company, and providing customary representations, warranties and indemnities in relation to the Company, its Business and operations); and (ii) provide such third party purchaser with such standard rights as are customarily made available to a Financial Investor. It is clarified that such rights to a Financial Investor should also include standard and customary exit rights.
- (v) It is clarified that the rights of the Investor under Article 22 g (iv) shall be available to the Investor for as long as the Investor Transfers such number of Securities as is equivalent to or higher than the Investor Threshold, notwithstanding any (i) previous Transfer of Investor Securities by the Investor in any manner; or (ii) any termination or fall away of any of the other rights of the Investor under the Agreement, including without limitation the rights of the Investor under Article 30, Article 31, Article 32, Article 33 or Article 33 f to Article 33.

(h) Transfers by the Promoters

Subject to Article 22 (i), no Transfer may be made by the Promoters or their Affiliates that:

- (i) Violates in any manner the provisions of the Agreement;
- (ii) Unless the Transfer complies in all respects with Applicable Law;
- (iii) The Transferee agrees in writing to be bound by the terms and conditions of the Agreement by executing a Deed of Adherence in the form and manner attached at Part B of Schedule 4 of the Agreement.

(i) Permitted Transfers by Promoters

- 1) Notwithstanding anything to the contrary contained herein, but subject to compliance in all respects with applicable Law and the provisions of the Agreement, the Promoter Group and their Affiliates may, at any time without compliance with the provisions of Article 22 (h), Transfer any Securities held by the Promoter Group to an Affiliate of the Promoter Group or within the Promoter Group itself, with prior written notice to the Board and the Investor, subject to such Affiliate (“**Permitted Transferee**”) agreeing to be bound by the terms and conditions of the Agreement by executing a Deed of Adherence in the form set out in Part B of Schedule 4 of the Agreement.
- 2) The Promoters undertake that each of them shall, prior to a Permitted Transferee ceasing to be an Affiliate, acquire by themselves or, subject to compliance with Article 22(i)(1), through any of their Affiliates, all of the Securities held by such Affiliate, notwithstanding that such Permitted Transferee has executed a Deed of Adherence in the form and manner attached in Part B of Schedule 4 of the Agreement.

- 3) In the event of a transfer of Securities by the Promoters to any of their Affiliates, the Promoters shall continue to be bound by the duties and obligations cast upon them under the Agreement.
- (j) Avoidance of Restrictions. The Promoters agrees that the Transfer restrictions in the Agreement and in these Articles shall not be capable of being avoided by the holding of Securities indirectly through a company or other entity, the shares of which company or entity can itself be transferred in order to Transfer an interest in the Securities. Any Transfer of any shares as set out in the preceding sentence or any change in the shareholding of the Promoters (wherever applicable) shall be treated as being a Transfer of Securities by the Promoters and consequently a breach of the Transfer restrictions in the Agreement and these Articles.
- (k) Intimation to Shareholders. Within 10 (ten) Business Days after registering any Transfer of Securities in its register of members, the Company shall send a notice to each Shareholder stating that such Transfer has been completed and setting forth the name of the transferor, the name of the transferee and the number of Securities Transferred, and if applicable, the Deed of Adherence executed by the transferee in respect of the Securities so Transferred.
- (l) Subject to the provisions of Sections 58 and 59 of the Act, or any statutory modification of the said provisions for the time being in force and any other Law, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of Shares and in particular may so decline in any case in which (i) if the Company has a lien upon the Shares or any of them or (ii) whilst any moneys in respect of the Shares desired to be transferred or any of them has remained unpaid or not or unless the transferee is approved by the Board and such refusal shall not be affected by the fact that the proposed transferee is already a Shareholder. But in such cases it shall, within one (1) month from the date on which the instrument of transfer was lodged with the Company send to the transferee and the transferor notice of refusal to register such transfer. The registration of a transfer shall be conclusive evidence of the approval of the Board of the transferee.
- Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.
- (m) Subject to the provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any Shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of Shares upon which the Company has a lien.
- (n) Subject to the provisions of these Articles and the Agreement any transfer of Shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scrips of any small denominations or to consider a proposal for transfer of Shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of Shares in violation of the stock exchange listing requirements on the ground that the number of Shares to be transferred is less than any specified number.
- (o) In case of the death of any one or more Shareholders named in the Register of Shareholders as the joint-holders of any Share, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on Shares held by him jointly with any other Person.
- (p) The Executors or Administrators or holder of the Succession Certificate or the Legal Representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the Shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representatives unless such Executors or Administrators or Legal Representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted court in the Union of India, provided that the

Board may in its absolute discretion dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 23(a) of these Articles register the name of any Person who claims to be absolutely entitled to the Shares standing in the name of a deceased Shareholder, as a Shareholder.

- (q) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind.
- (r) Subject to the provisions of Articles, any Person becoming entitled to Shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholder, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Shares.
- (s) A Person becoming entitled to a Share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the Shares, except that he shall not, before being registered as a Shareholder in respect of the Shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other money(ies) payable in respect of the Shares until the requirements of the notice have been complied with.

- (t) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

In case of transfer and transmission of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- (u) Before the registration of a transfer, the certificate or certificates of the Share or Shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (v) No fee shall be payable to the Company, in respect of the transfer or transmission of Shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents.
- (w) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Shareholders), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

- (x) The provision of these Articles shall subject to the provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of law to other Securities of the Company.”

RESTRICTED RIGHT OF TRANSFER

Article 28 provides that

- “(a) No Person shall exercise any rights or privileges of Shareholders until he shall have paid all sums (whether in respect of call or otherwise) for the time being due in respect of the Shares held by him or due in any manner whatsoever to the Company.

(b) NON DISPOSAL UNDERTAKING

- (i) The Promoters hereby covenant that they shall, for as long as the Investor holds at least such number of Equity Securities as is equivalent to the Investor Threshold:

- 1) continue to hold the entire shareholding in the Company held by the Promoter Group as on the Effective Date and any additional Securities as may be acquired by the Promoter Group at any time (“**Locked-in Shareholding**”), and not dilute, Transfer or further Encumber such Locked-In Shareholding without Investor Consent, provided that in the event that any Encumbrance existing over the Equity Shares of the Company as on the date hereof is released, the Promoters shall be permitted to create a further Encumbrance over the Locked-In Shareholding, subject to at least 51% (fifty one per cent) of the Equity Share Capital of the Company, calculated on a Fully Diluted Basis, being, at all times, free and clear of Encumbrances;
- 2) retain Control over the management and affairs of the Company and be engaged in the day-to-day management of the Company and primarily be responsible for the implementation of the Business Plan and the business objectives of the Company, including in accordance with the terms of the Agreement; and
- 3) other than due to any physical / medical incapacity, ensure that MS continues to discharge his role and responsibilities as the Managing Director of the Company.
- 4) The Promoters hereby agree that any additional Equity Securities or share equivalents hereafter acquired by the Promoters (whether as a result of any increase in the Equity Share Capital of the Company, exercise of any pre-emptive right, any purchase by the Promoters of additional Equity Shares or share equivalents of the Company, any conversion or exchange of the Equity Shares, or otherwise) shall be subject to the provisions of these Articles, including any restrictions on Transfer set forth herein.
- 5) Subject to the these Articles, none of the Promoters or their Affiliates shall, without Investor Consent, enter into any swap, re-organisation or re-arrangement or other agreement or any transaction that directly or indirectly Transfers, in whole or in part, the economic interest or the beneficial ownership of any Equity Shares held by the Promoters or their Affiliates, provided that this restriction shall not apply to inter se Transfer of Equity Shares within the Promoter Group.

- (ii) Notwithstanding anything contained herein, for as long as (i) MS continues to be responsible for the Business and operations of the Company as a Managing Director of the Company other than due to any physical / medical incapacity, and (ii) the Promoters continue to retain Control of the Company, no breach of Article 28 (b) shall be deemed to have occurred even if the Promoters’ Locked-In Shareholding is less than the percentage of Equity Share Capital of the Company held by the Promoter Group as on the Effective Date (“**Dilution**”), provided that such Dilution occurs as a result of:

- 1) the Transfer of, or creation or enforcement of any Security Interest or Encumbrance, by the Promoters over no more than an aggregate of 10% (ten per cent) of the Equity Shares held by the Promoters (“**Promoter Liquidity Shares**”); provided that

- I. the transferee of such Promoter Liquidity Shares (“**Promoter Liquidity Share Transferee**”) shall not be, and the Promoter shall ensure that no Promoter Liquidity Share is transferred to, a Person who is not a Fit and Proper Person; and
 - II. each such Promoter Liquidity Share Transferee shall, and the Promoter shall ensure that each such Promoter Liquidity Share Transferee shall, execute a deed of adherence in the form set out in **Part E** of **Schedule 4** of the Agreement agreeing to be bound by certain obligations of Shareholders under the Agreement as identified in such Deed of Adherence; and
 - III. such Transfer is made to a reputed Strategic Investor or Financial Investor, or
- 2) the issuance of Equity Shares by the Company in an Initial Public Offer undertaken in accordance with Article 30.

(c) **RIGHT OF FIRST OFFER FOR PROMOTER TRANSFERS**

- (i) **First Offer Right.** Subject to Article 28(b) above, if any member of the Promoter Group (the “**Transferring Shareholder**”) propose(s) to Transfer its or their Securities in accordance with the terms of the Agreement, the Investor shall first have a right of first offer (the “**First Offer Right**”) with respect to such Transfer as provided in this Article 28 (c).
- (ii) **Transfer Notice.** If the Transferring Shareholder proposes to sell any of its Securities, the Transferring Shareholder shall send a written notice at least 60 (sixty) Business Days prior to the planned date of the Transfer (the “**Transfer Notice**”) to the Investor, which notice shall state the number and type of the Securities proposed to be Transferred (“**Offered Securities**”).
- (iii) **Exercise of Rights.** For a period of 45 (forty five) Business Days after delivery of a Transfer Notice (the “**Offer Period**”), the Investor shall have the right (but not the obligation), exercisable through the delivery of an Offer Election Notice as provided in this Article 28(c)(3), to offer a price (“**Offer Price**”) for purchase, by the Investor or any of its Affiliates, of all and not less than all of the Offered Securities upon the other terms and conditions set forth in the Transfer Notice. The First Offer Right of the Investor under Article 28(c)(1) shall be exercisable by delivery by the Investor, of a written notice of exercise (“**Offer Election Notice**”) within the Offer Period to the Transferring Shareholder.
- (iv) In the event that the Transferring Shareholder accepts the offer made by the Investor in terms of the Offer Election Notice, which acceptance shall be communicated within a period of 5 (five) Business Days from the date of receipt of the Offer Election Notice, the Transferring Shareholder shall be under an obligation to sell, and the Investor will be under an obligation to buy, the Offered Securities on the terms and conditions (including price) mentioned in the Offer Election Notice and sale and transfer shall be completed within a period of 15 (fifteen) Business Days from the date of the Offer Election Notice or such other extended period as may be agreed between the Transferring Shareholder and the Investor.
- (v) In the event that the Transferring Shareholder does not accept the Investor’s offer to purchase the Offered Securities or does not receive the Offer Election Notice within 45 (forty five) Business Days of receipt of the Transfer Notice by the Investor or if the Investor elects not to purchase the Offered Securities, the Transferring Shareholder shall, subject to Article 28(e), be free to offer the Offered Securities to any third party (“**Purchaser**”) at a price, which shall be at least 10% (ten per cent) higher than the Offer Price and on the terms and conditions no less favourable to the Transferring Shareholder than those offered in the Offer Election Notice. If the Transferring Shareholder receives an offer for the purchase of the Offered Securities from any Purchaser, at a price that is higher than the Offer Price by less than 10% (ten per cent) of the Offer Price (“**Revised Price**”), the Transferring Shareholder shall provide the Investor with a written notice setting out such price offered by the Purchaser, and the other terms if any, of the sale of the Offered Securities to the Purchaser (“**Revised Price Notice**”). The Investor shall have the right, exercisable by it by way of delivery of a written notice within 15 (fifteen) days from the date of receipt of the Revised Price Notice by the Investor, to

purchase the Offered Securities at a price equal to the Revised Price. If the Investor agrees to purchase the Offered Securities at such Revised Price, then the Transferring Shareholder shall be under the obligation to sell, and the Investor will be under an obligation to buy, the Offered Securities at the Revised Price and on the terms set out in the Revised Price Notice within 45 (forty five) Business Days of the receipt of the Revised Price Notice. In the event if the Investor does not confirm to purchase the Offered Securities at the Revised Price in terms of the Revised Price Notice then the Transferring Shareholder shall be free to sell the Offered Securities to the Purchaser, provided that such Purchaser executes a Deed of Adherence in the form set out in Part E of Schedule 4 of the Agreement pursuant to which such transferee or acquirer, shall agree to abide by and adhere to all obligations of the Promoters under the Agreement.

- (vi) Consents. If the Investor and/or its Affiliates or nominees elect to purchase the Offered Securities pursuant to the foregoing Articles, the Promoters shall and shall cause the Company to apply for and obtain all such Consents and take all necessary corporate actions as may be required to Transfer the Offered Securities to the Investor and/or its Affiliates or nominees within 15 (fifteen) Business Days from the date of receipt of the Offer Election Notice by the Transferring Shareholder. In the event the Investor is desirous of purchasing any Offered Securities, but is unable to participate in such purchase due to any restrictions under Law or for any other reason as the Investor may deem appropriate, the Investor shall have the right to nominate any Person of its election to purchase the Offered Securities offered in accordance with the provisions of this Article 28 (c).
- (vii) Closing. The closing of any purchase of Offered Securities by the Investor shall be held at the registered office of the Company on the 15th (fifteenth) Business Day from the date of receipt of the Offer Election Notice or confirmation of purchase to the Revised Price Notice by the Transferring Shareholder, or at such other time and place as the parties to the transaction may agree. At such closing, the Transferring Shareholder shall deliver certificates representing the Offered Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Offered Securities shall be free and clear of any Security Interest or Encumbrance, and the Transferring Shareholder shall so represent and warrant and shall further represent and warrant that it is the legal, beneficial and recorded owner of such Offered Securities. The Investor shall deliver at such closing, payment in full, of the Offer Price in accordance with the terms set forth in the Transfer Notice subject to any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Offered Securities to the Investor.

(d) **RIGHT OF FIRST OFFER FOR INVESTOR TRANSFERS**

- (i) First Offer Right. If the Investor or any of its Affiliates (the “**Investor Transferring Shareholder**”) propose(s) to Transfer its or their Securities in accordance with the terms of the Agreement, the Promoters shall first have a right of first offer (the “**Promoter First Offer Right**”) with respect to such Transfer as provided in this Article 28 (c). Notwithstanding anything contained in herein any obligations of the Investor under this Article 28 (d) shall fall away and immediately cease to have effect upon the earlier of (i) the expiry of 54 (fifty four) months from the Completion Date; or (ii) the occurrence of an Event of Default.
- (ii) Transfer Notice. If the Investor Transferring Shareholder proposes to sell any of the Investor Securities, the Investor Transferring Shareholder shall send a written notice at least 60 (sixty) Business Days prior to the planned date of the Transfer (the “**Investor Transfer Notice**”) to the Promoters, which notice shall state the number and type of the Investor Securities proposed to be Transferred (“**Investor Offered Securities**”).
- (iii) Exercise of Rights. For a period of 45 (forty five) Business Days after delivery of an Investor Transfer Notice (the “**Promoter Offer Period**”), the Promoters shall have the right (but not the obligation), exercisable through the delivery of a Promoter Offer Election Notice as provided in this Article 28 (d)(iii), to offer a price (“**Promoter Offer Price**”) for purchase, by the Promoter or any of its Affiliates, of all or part of the Investor Offered Securities upon the other terms and conditions set forth in the Investor Transfer Notice. The Promoter First Offer Right of the Promoters under Article 28 (d) (i) shall be exercisable by delivery by the

Promoters, of a written notice of exercise (“**Promoter Offer Election Notice**”) within the Promoter Offer Period to the Investor Transferring Shareholder.

- (iv) In the event that the Investor Transferring Shareholder accepts the offer made by the Promoters in terms of the Promoter Offer Election Notice, which acceptance shall be communicated within a period of 15 (fifteen) Business Days from the date of receipt of the Promoter Offer Election Notice, the Investor Transferring Shareholder shall be under an obligation to sell, and the Promoters will be under an obligation to buy, the Investor Offered Securities on the terms and conditions (including price) mentioned in the Promoter Offer Election Notice and sale and transfer shall be completed within a period of 15 (fifteen) Business Days from the date of the Promoter Offer Election Notice or such other extended period as may be agreed between the Investor Transferring Shareholder and the Promoters.
- (v) In the event that the Investor Transferring Shareholder does not accept the Promoters’ offer to purchase the Investor Offered Securities or does not receive the Promoter Offer Election Notice within 45 (forty five) Business Days of receipt of the Investor Transfer Notice by the Promoters or if the Promoters elect not to purchase the Investor Offered Securities, the Investor Transferring Shareholder shall be free to offer the Investor Offered Securities to any third party (“**Investor Purchaser**”) at a price, which shall be at least 10% (ten per cent) higher than the Promoter Offer Price and on the terms and conditions no less favourable to the Investor Transferring Shareholder than those offered in the Promoter Offer Election Notice. If the Investor Transferring Shareholder receives an offer for the purchase of the Investor Offered Securities from any Investor Purchaser, at a price that is higher than the Promoter Offer Price by less than 10% (ten per cent) of the Promoter Offer Price (“**Investor Revised Price**”), the Investor Transferring Shareholder shall provide the Promoters with a written notice setting out such price offered by the Investor Purchaser, and the other terms if any, of the sale of the Investor Offered Securities to the Investor Purchaser (“**Investor Revised Price Notice**”). The Promoters shall have the right, exercisable by them by way of delivery of a written notice within 15 (fifteen) days from the date of receipt of the Investor Revised Price Notice by the Promoters, to purchase the Investor Offered Securities at a price equal to the Investor Revised Price. If the Promoters agree to purchase the Investor Offered Securities at such Investor Revised Price, then the Investor Transferring Shareholder shall be under the obligation to sell, and the Promoters will be under an obligation to buy, the Investor Offered Securities at the Investor Revised Price and on the terms set out in the Investor Revised Price Notice. In the event that the Promoters do not agree to purchase the Investor Offered Securities at the Investor Revised Price in terms of the Investor Revised Price Notice, then the Investor shall be free to sell the Investor Offered Securities to the Investor Purchaser and thereafter, the Investor Purchaser of such Investor Offered Securities shall execute a Deed of Adherence in the form set out in Part C of Schedule 4 of the Agreement pursuant to which such Investor Purchaser shall be entitled to all the rights and shall be bound by all obligations of the Investor under the Agreement; provided that such Investor Purchaser shall only be entitled to the rights of the Investor under the Agreement in the event that such Investor Purchaser acquires such number of Securities as is equal in number to at least 20% (twenty per cent) of the number of Subscription Securities subscribed to by the Investor at Completion.
- (vi) Closing. The closing of any purchase of Investor Offered Securities by the Promoters shall be held at the registered office of the Company on the 15th (fifteenth) Business Day from the date of receipt of the Promoter Offer Election Notice by the Investor Transferring Shareholder, or at such other time and place as the parties to the transaction may agree. At such closing, the Investor Transferring Shareholder shall deliver certificates representing the Investor Offered Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Investor Offered Securities shall be free and clear of any Security Interest or Encumbrance, and the Investor Transferring Shareholder shall so represent and warrant and shall so represent and warrant and shall further represent and warrant that it is the legal, beneficial and record owner of such Investor Offered Securities. The Investor Transferring Shareholder shall not be required to make any other representations or warranties or provide any indemnification, save for in relation to the title of the Investor Offered Securities, in connection with the proposed Transfer of the Investor Offered Securities. The Promoters shall deliver at such closing, payment in full, of the Promoter Offer Price in accordance with the terms set forth in the

Investor Transfer Notice subject to any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Investor Offered Securities to the Promoters.

(e) TAG ALONG RIGHT

- (i) Tag Along Notice. Other than in the case of such transfers as may be permitted under Article 28(b)(ii)(1) above, if any Transferring Shareholder proposes to make a Transfer of Securities to a Transferee, and the Investor has either (i) elected not to exercise its First Offer Right under Article 28 (b); or (ii) has failed to deliver a notice electing to exercise such First Offer Right within the Offer Period, then such Transferring Shareholder shall, at least 15 (Business Days) prior to the proposed Transfer, shall send a written notice (“**Tag-Along Notice**”) to the Investor, which notice shall state: (i) the name and address and identity of the proposed Transferee, (ii) the number of Offered Securities to be Transferred (“**Sale Securities**”), (iii) the amount and form of the proposed consideration for the Transfer, (iv) the other terms and conditions of the proposed Transfer, (v) a representation that no consideration, tangible or intangible, is being provided to the Transferring Shareholder or any of its Affiliates that is not reflected in the price to be paid to the Investor exercising their Tag-Along Rights hereunder, (vi) the number of Securities the Transferring Shareholder together with its Affiliates then owns, and (vii) an offer exercisable at the sole option of the Investor, to include in such sale to the Transferee, the Tag-Along Securities as defined Article 28 (d)(ii) below. In the event that the proposed consideration for the Transfer includes consideration other than cash, the Tag-Along Notice shall include a calculation of the fair market value of such consideration as determined by an internationally reputed investment bank chosen by the Investor, where the fee of such investment bank shall be borne and paid by the Company. The total value of the consideration for the proposed Transfer is referred to herein as the “**Tag-Along Price.**”
- (ii) Tag-Along Rights. The Investor shall have the right (“**Tag-Along Right**”) but not the obligation to require the Transferring Shareholder to cause the Transferee in a Transfer of Securities to purchase from the Investor and/or its Affiliates, for the same consideration per Sale Security and upon the same terms and conditions as are to be paid and given to the Transferring Shareholder and/or its Affiliates (except that the Investor and its Affiliates will not be required to make any representations or warranties except as provided in Article 28 (d)(v) or otherwise be liable for any indemnification obligations, save for in relation to the title of the Sale Securities), all or part of the Investor Securities (“**Tag-Along Securities**”).
- (iii) Tag-Along Acceptance. In the event the Investor and/or its Affiliates elects to exercise the Tag-Along Right, the Investor shall, within 30 (thirty) Business Days following the receipt of the Tag-Along Notice, deliver a written notice of such election to the Transferring Shareholder (“**Tag Acceptance Notice**”), which Tag Acceptance Notice shall state the number of Tag-Along Securities that it proposes to Transfer to such Transferee. Such notice shall be irrevocable and shall constitute a binding agreement by the Investor and/or its Affiliates to sell such Tag-Along Securities on the terms and conditions set forth in the Tag Acceptance Notice.
- (iv) Non-Consummation. Where the Investor and/or its Affiliates have properly elected to exercise its Tag-Along Right and the proposed Transferee fails to purchase all the Tag Along Securities from the Investor and/or its Affiliates, the Transferring Shareholder shall not make the proposed Transfer of any of the Sale Securities, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of the Sale Securities.
- (v) Closing. The closing of any purchase of Tag Along Securities by the Transferee from the Investor and/or its Affiliates shall take place simultaneous with the closing of the purchase of Sale Securities by the Transferee from the Transferring Shareholder or at such other time and place as the Investor and the Transferee may agree in writing. At such closing, the Investor and/or its Affiliates shall deliver certificates representing the Tag-Along Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Tag-Along Securities shall be free and clear of any Security Interest or Encumbrance, and the Investor and/or its Affiliates shall so represent and warrant and shall further represent and warrant that it is the legal, beneficial and record owner of such Tag-Along Securities. The Investor and its Affiliates shall not be required to make any

other representations or warranties or provide any indemnification, save for in relation to the title of the Tag-Along Securities, in connection with the proposed Transfer of the Tag-Along Securities. Any Transferee purchasing the Tag-Along Securities shall deliver at such closing payment in full of the Tag-Along Price in accordance with the terms set forth in the Tag-Along Notice, an executed Deed of Adherence in the form set out in Part D of Schedule 4 of the Agreement pursuant to which the Transferee shall agree to abide by and adhere to all obligations of the Promoters under the Agreement (in the event that the Tag Along Securities do not represent all the Investor Securities) and any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Tag Along Securities to the Transferee.”

INITIAL PUBLIC OFFERING

Article 30 provides that

“a) IPO Covenant.

- (i) The Company and the Promoters agree that it is their intention to do a Qualified IPO, or an IPO acceptable to the Investor, of the Company at the earliest possible time. The Company and the Promoters also agree that it is their intention to facilitate an exit for the Investor and accordingly acknowledge that undertaking a Qualified IPO will provide liquidity for the Investor Securities held by the Investor, thereby constituting a means for an exit for the Investor. In view thereof, the Company shall, and the Promoters shall cause the Company to, complete a Qualified IPO within the First QIPO Window, the Second QIPO Window or the Extended Liquidity Window, in accordance with Applicable Law and all applicable guidelines and regulations issued by SEBI from time to time (“**SEBI Regulations**”). An IPO that does not fulfill the conditions for a Qualified IPO shall be considered a Qualified IPO only if the Investor has provided an Investor Consent to such an IPO, and upon the receipt of such Investor Consent, such IPO shall be deemed to be a Qualified IPO. The Promoters and the Company shall work towards undertaking a Qualified IPO, at a valuation which is not lower than an amount of INR 20,000,000,000 (Rupees twenty billion). The Parties agree that the obligations of the Company to undertake, and the obligations of the Promoter to procure that the Company undertakes, a Qualified IPO or an IPO acceptable to the Investor shall be valid and in force and effect for as long as the Investor holds such number of Investor Securities in the Company as is equivalent to Investor Threshold, notwithstanding any previous Transfer of Investor Securities by the Investor in any manner.
- (ii) The Promoters shall cause a Qualified IPO to be consummated by way of listing of the Equity Shares of the Company on one or more Recognized Stock Exchanges. It is clarified that an Investor Consent shall be required for any IPO, including a Qualified IPO, to be undertaken by the Company.

b) Offer for Sale.

- (i) Subject to applicable Law and unless otherwise agreed to by the Investor in writing, the Qualified IPO shall have an offer for sale component such that Investor shall have the right (but not the obligation) to offer, as a part of such offer for sale, all or a part of any Equity Shares held by the Investor, subject to the OFS Ceiling. In the event the Investor wishes to offer any Equity Shares held by it for sale in the Qualified IPO as provided herein, then the Promoters and the Company shall undertake all necessary steps to ensure that such Equity Shares are offered for sale in the Qualified IPO.
- (ii) In any offer for sale undertaken pursuant to a Qualified IPO, the Investor and its Affiliates shall have the first right to tender the Investor Securities held by them, subject to the OFS Ceiling. Any Equity Shares, in excess of the OFS Ceiling, held by the Investor and its Affiliates in the Company that the Investor is desirous of offering as part of an offer for sale pursuant to a Qualified IPO, may be offered by the approval of the IPO Committee
- (iii) The Promoters undertake that they shall offer such number of their Equity Shares for sale pursuant to the Qualified IPO as may be required to meet the minimum offer requirement under Law for listing of the Equity Shares of the Company in a Qualified IPO, if such

minimum offer requirement is not fulfilled after taking into account the number of Equity Shares to be offered by the Investors for sale in accordance with Article 30 (b)(i) and Article 30 (b)(ii) above. Any interest earned by the Company on account of the proceeds of the Offer for Sale in respect of the Shares offered by the Investor shall be paid to the Investor in proportion to the Shares offered for sale.

- (iv) Subject to applicable Law, in the event of the Company pursuing a Qualified IPO in the international capital markets, the Investor shall be provided with the customary registration rights.

c) Mode of Qualified IPO.

- (i) The Parties agree that in any Qualified IPO such percentage of Equity Shares as recommended by the IPO Lead Advisor and acceptable to the Investor and the Promoter ("**Minimum IPO Fresh Issue Size**") shall be from a fresh issuance of Equity Shares by the Company. The remainder shall be referred to as the "**Balance IPO Issue Size**".
- (ii) The Parties further agree that the Balance IPO Issue Size may be met by an offer for sale by the Investor, in its sole discretion, of such number of Equity Shares held by the Investor (on a Fully Diluted Basis) as the Investor may determine in its sole discretion, subject to the OFS Ceiling.
- (iii) If, all of the Equity Shares (on a Fully Diluted Basis) then offered by the Investor (in accordance with Article 30 (c)(ii) above) are insufficient to constitute the Balance IPO Issue Size, the shortfall shall be met either (i) by offering additional new Equity Shares in the Qualified IPO, or (ii) through an offer for sale, by the Promoters or any member of the Promoter Group, of its Equity Shares or (iii) a combination of (i) and (ii), as may be suggested by the IPO Lead Advisor, and approved by an Investor Consent.

d) Qualified IPO Related Obligations.

- (i) In line with the objectives of the Parties as set out in Article 30 (a) above, the Promoters and the Company shall, in good faith and with due care and diligence, do all things necessary or advisable to conduct, facilitate, support and ensure the success of the Qualified IPO within the First QIPO Window, Second QIPO Window or the Extended Liquidity Window, as the case may be, in the manner set out in this Article 30.
- (ii) The Company shall, and the Promoters shall have caused the Company to constitute an IPO Committee. The IPO Committee shall be constituted by such number of Directors as the Board deems fit, provided that at least 1 (one) Investor Director and at least 1 (one) Promoter Director shall necessarily be the members of such committee ("**IPO Committee**"). The Promoters shall cause the Company and the Board to nominate the Investor Director to the IPO Committee at the time of establishment of the IPO Committee, which IPO Committee will have customary terms of reference.
- (iii) The Promoters and the Company shall, subject to confirmation thereof being provided by the IPO Committee, engage a reputed global merchant bank to conduct the Qualified IPO and act as the book running lead manager/one of the book running lead managers to the Qualified IPO ("**IPO Lead Advisor**"). Thereafter, the Qualified IPO shall be conducted in accordance with the advice of the IPO Lead Advisor and under its general supervision.
- (iv) The Board shall, at least 15 (fifteen) Business Days prior to the filing of the draft red herring prospectus in respect of the Qualified IPO with SEBI, agree upon the maximum number of Equity Shares into which the Investor CCDs shall convert based on the Adjusted Qualified Liquidity Event Valuation ("**CCD Conversion Number**"). The Investor shall, upon determination of the CCD Conversion Number and at any time prior to the filing of the draft red herring prospectus with SEBI, deliver to the Company a notice confirming (i) whether the Investor and/or its Affiliates intend to participate in an offer for sale in the Qualified IPO; and (ii) subject to the OFS Ceiling, the number of Equity Shares to be sold by it in such offer for sale, pursuant to Article 30 (b).

- (v) The IPO Committee shall at least 5 (five) Business Days prior to the filing of the red herring prospectus in respect of the Qualified IPO, determine a per Equity Share price (“**RHP Floor Price**”), which shall form the floor valuation above which Equity Shares may be issued or sold to the public in the Qualified IPO. The determination of the RHP Floor Price by the IPO Committee shall require an Investor Consent, if at such RHP Floor Price, the IPO does not become or ceases to be a Qualified IPO. Once the RHP Floor Price has been determined by the IPO Committee, with Investor Consent where required, no Equity Shares may be issued or sold in the Qualified IPO at a price which is lower than the RHP Floor Price, without a specific Investor Consent to such price. Any determination of a price band for the sale or issuance of shares in the Qualified IPO shall be determined such that the lowest end of the price band shall not be lower than the RHP Floor Price. The Investor Securities shall be converted at the latest date on which the Company is permitted to have outstanding convertible securities under applicable Law (unless there is a change in Law following the Effective Date, such conversion shall occur on the Business Day immediately preceding the date of filing of the red herring prospectus). The Investor Securities shall, on such date, convert into such number of Equity Shares equal to New Investor Shares on Conversion. For purpose of this calculation, the Qualified Liquidity Event Valuation shall be an amount equal to the RHP Floor Price multiplied by the number of Equity Shares of the Company. Notwithstanding any Investor Consent that has been granted by the Investor in respect of a Qualified IPO, it is clarified that any change or alteration in any of the aspects of such Qualified IPO and including the determination of the RHP Floor Price, which would result in such IPO ceasing to be a Qualified IPO, then such IPO shall once again require an Investor Consent.
- (vi) Upon the Investor offering any Equity Shares for sale pursuant to the Qualified IPO, the Company and the Promoters hereby undertake that they shall comply with and complete all necessary formalities to ensure such listing and admission to trading on the Recognized Stock Exchanges of such Equity Shares (including those Equity Shares resulting from the conversion of the Investor Securities). In the event of any Qualified IPO, the Company and the Promoters shall ensure that all Equity Shares of the Company and Equity Securities (upon their conversion) are included in the Listing such that the Investor Securities (once converted) will, subject to applicable Law, be freely tradable by Investor immediately following the listing.
- (vii) The Promoters undertake to exercise their voting rights (at any Board Meeting or resolutions passed by the Board and/or any Committees and at any Shareholder Meeting or resolutions passed by the Shareholders), in order to ensure that the Company shall undertake a Qualified IPO in accordance with this Article 30. The Company and the Promoters shall, and hereby undertake that they shall, execute, do and take all such steps as may be in their respective powers to execute, do and take or procure to be executed, taken or done and to execute all such further documents, agreements and deeds and do all further acts, deeds, matters and things as may be required to undertake the Qualified IPO, to facilitate the Qualified IPO process and to do everything else necessary that is necessary or desirable or reasonably required by the Investor in order to achieve the Qualified IPO within the First QIPO Window, Second QIPO Window or the Extended Liquidity Window.
- (viii) The Promoters shall cause the Company to undertake the following actions:
 - 1) passing of all necessary resolutions by the Board, Shareholders, IPO Committee and all other Company filings to authorize, approve and support the Qualified IPO to ensure that the same is consummated before the IPO Completion Date and in respect of the actions and obligations set out in this Article 30;
 - 2) for purposes of due diligence, preparation of marketing material / documents and preparation of draft red herring prospectus, red herring prospectus and the prospectus, providing expeditious access to the personnel, properties and books and papers of the Company to the IPO Lead Advisor, other managers to the offer, investment bankers, the underwriters, the legal and financial advisors appointed for purposes of the Qualified IPO and/ or any other advisors or agents, and providing all necessary documents, information and disclosures (in an expeditious manner) to them;

- 3) finalizing of the financial statements as required for the Qualified IPO and ensuring that the Company's auditors co-operate with the IPO Lead Advisor, managers and other advisors to the offer and provide all required certifications and comfort letters in customary form;
 - 4) satisfying the minimum promoter's contribution requirement for the Qualified IPO and contributing any Equity Shares required from the Promoter Group;
 - 5) satisfying any requirements for the provision of a safety net or other similar mechanism as required under applicable Law, SEBI Regulations or in accordance with the directions of SEBI;
 - 6) carrying out all necessary corporate actions that may be necessary or advisable under SEBI Regulations or any other applicable Law;
 - 7) complying with specific directions and/or advise that may be provided by the IPO Lead Advisor and/or other intermediaries to ensure that governance standards employed within the Company are compliant with governance standards expected under SEBI Regulations and/or under applicable Law. Specifically, the Promoters shall, and shall cause the Company to, mandatorily comply with such directions as may be issued by the IPO Committee, based on advice received from the IPO Lead Advisor or other intermediary;
 - 8) settling or resolving such legal or regulatory proceedings as may be advised by the IPO Lead Advisor as advisable for purposes of the Qualified IPO;
 - 9) ensuring that the Promoter Group has sufficient Equity Securities free and clear of all Security Interest (and excluding any Equity Shares required to satisfy the minimum promoters' contribution requirement for the Qualified IPO) to satisfy any lock-in requirements applicable to the Promoter Group pursuant to any applicable Law;
 - 10) ensuring that any Security Interests granted over any Equity Securities by the Promoter Group are released for the purposes of the Qualified IPO, if so advised by the managers to the offer or as may be required by the Recognized Stock Exchanges or under any applicable Law; and
 - 11) taking all necessary steps and actions to ensure that the Company is eligible and in a position to undertake and successfully complete a Qualified IPO on or before the IPO Completion Date, subject to appropriate market conditions prevailing.
- (ix) The Company agrees and undertakes that it shall, without any recourse to the Investor whatsoever, at its own cost (i) obtain all the relevant Government Approvals and other Consents that are necessary for the completion of the Qualified IPO, and (ii) complete the process of the Qualified IPO, in terms of these Articles. The Company and the Promoters shall ensure that the Qualified IPO complies with Applicable Law and listing requirements of the Recognized Stock Exchange(s) on which the Equity Shares of the Company are to be listed and admitted to trading pursuant to the Qualified IPO. The Company shall comply with all ongoing listing costs and requirements including, inter alia, payment of all present and future costs relating to the listing and sponsorship, underwriting fees, listing fees, merchant bankers fees, bankers fees, brokerage, commission and any other costs that may be incurred due to the changes to the Applicable Law for the time being in force. It is clarified that wherever reasonable assistance of the Investor is required in connection with the offer for sale component of the Qualified IPO, then the Investor shall provide to the Promoter and / or the Company, such assistance, as is reasonable in the opinion of the Investor.
- e) Expenses. Subject to Law, all costs and expenses in relation to the Qualified IPO shall be borne by the Company, including without limitation all registration, filing and qualification fees and printers, legal, accounting, underwriting and bankers' fees and disbursements. To the extent permissible under applicable Law, the Company shall reimburse the Investor for any reasonable expenses incurred by the Investor in connection with or in relation to a Qualified IPO, provided that, the Company shall not be required to reimburse any costs incurred by the Investor that are directly attributable to any fees

payable to the merchant bankers (including the IPO Lead Advisor) in connection with any offer for sale by the Investor in accordance with Article 30 (b).

- f) Warranties. The Promoters agree that the Investor shall not, upon listing or sale of the Equity Shares held by the Investor in a Qualified IPO, be required to give any warranties or indemnities to any underwriter, broker, recognized stock exchange, any Governmental Authority or any other Person except in relation to title to the Equity Shares proposed to be sold by the Investor in an offer for sale in the Qualified IPO pursuant to Article 30(b). The Company and the Promoter shall ensure that all documents relating to the Qualified IPO, including, without limitation, any prospectus and other submissions to the applicable regulatory authorities and governmental agencies are made available to the Investor (and counsel to the Investor) for its review and comment and shall consider in good faith and incorporate any comments received from the Investor prior to submission to such authorities and agencies.

g) Investor Not a Promoter

- (i) The Company and the Promoter agree that under no circumstances, unless otherwise prescribed under applicable Law, shall the Investor or any of its Affiliates be referred to or otherwise considered as a 'promoter' of the Company in connection with any Qualified IPO or any documents filed in connection therewith, or have any liability in relation to the Qualified IPO or any documents filed in connection therewith. Nothing in these Articles shall require the Investor or any of its Affiliates to do or omit to do anything that may result in any of them becoming a 'promoter', or being deemed to constitute a 'promoter' of the Company, or a part of the 'promoter group' in terms of SEBI Regulations. The Company and the Promoter agree not to classify or name the Investor or any of its Affiliates as a 'promoter' of the Company or a part of the 'promoter group'. Further, neither the Investor nor any of its Affiliates shall be required to provide any information in connection with any Qualified IPO other than in relation to the Equity Shares being offered for sale by the Investor or its Affiliates in the case of an offer for sale pursuant to a Qualified IPO, or the minimum information required to be provided by the Investor in its capacity as a Shareholder for inclusion into any prospectus or offer document to be issued by the Company in connection with the Qualified IPO.
- (ii) For the purpose of any such Qualified IPO, to the extent permissible under Law, the Promoters and the Company shall ensure that, and shall take all actions required to ensure that the Investor Securities held by the Investor shall not be subjected to a lock-in or other restriction on Transfer as applicable to promoter's contribution under applicable Law, the guidelines of SEBI, including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or of any other statutory or regulatory authority as applicable from time to time and are not, in any event, subject to any lock-in requirements as a 'promoter'.
- (iii) Unless otherwise required under Law or by any Governmental Authority, the rights of the Investor under these Articles shall survive the completion of a Qualified IPO. In the event that any rights of the Investor are required to be deleted from these Articles, pursuant to the requirements of Applicable Law or any Governmental Authority, the Company and the Promoters shall procure that, (i) until the Qualified IPO is consummated, all rights of the Investor pursuant to these Articles would continue in force and would be given effect to in good faith and accordance with the terms of the Agreement and the Charter Documents, and (ii) all rights of the Investor shall be automatically reinstated in these Articles, in the event that the Qualified IPO does not occur by the expiry of the Extended Liquidity Window, or is delayed for any reason beyond a period of 30 (thirty) Business Days from the proposed date of the Qualified IPO as agreed between the Promoters and the Investor, Promoters undertake that they shall take all actions as may be required to give effect to the provisions of this Article 30 (g)(iii), including but not limited to exercising their votes in relation to the Securities owned by them, as may be required to give effect to the foregoing.
- (iv) If the Qualified IPO does not occur by the expiry of the Extended Liquidity Window, or is delayed for any reason beyond a period of 30 (thirty) Business Days from the proposed date of the Qualified IPO as agreed between the Promoters and the Investor, the Promoters undertake that they shall take all actions as may be required to give effect to the reinstatement of all the rights herein in favour of the Investor as if such Qualified IPO did not transpire.

- h) Safety Net Arrangement. For the purpose of any Qualified IPO, to the extent permissible under Law and unless otherwise expressly directed by SEBI, the Promoters and the Company shall ensure that, and shall take all actions required to ensure that, the Investor shall not be required to provide a ‘safety net’ in respect of the Qualified IPO, or any offer for sale component of the Qualified IPO, including in respect of the Securities to be sold by the Investor in the Qualified IPO.
- i) Non-Completion Event.
- (i) The Promoters agree that if a Qualified Liquidity Event has not been completed within the Extended Liquidity Window, then a “**Non-Completion Event**” shall be deemed to have occurred and the provisions of Article 32 and Article 33 shall apply. The Parties agree that a Non-Completion Event shall not be considered a material breach for the purposes of Article 34 (a), and that as a consequence of a Non-Completion Event, the Investor shall be entitled to exercise its rights under Article 32 and Article 33.
 - (ii) In the event that the Investor Securities have been converted in accordance with the terms hereof (i) after the filing of a draft red herring prospectus with SEBI but prior to the filing of a red herring prospectus, and the Qualified IPO does not occur within a period of 30 (thirty) Business Days following the filing of the red herring prospectus with SEBI or (ii) as required under applicable Law, and the Qualified IPO does not occur (a) if such conversion has occurred within the First QIPO Window, and the Qualified IPO does not occur within the First QIPO Window, (b) if such conversion has occurred within the Second QIPO Window, and the Qualified IPO does not occur within the Second QIPO Window (a) if such conversion has occurred within the Extended Liquidity Window, and the Qualified IPO does not occur within the Extended Liquidity Window, the Parties shall agree upon and take all necessary actions to restore the rights and economic interest of the Investor as at immediately prior to the filing of the draft red herring prospectus, including by way of granting the Investor the right to (i) put all Equity Shares then held by the Investor to the Promoters and (ii) use any funds received from the Promoters for the Transfer of such Equity Shares to invest in compulsorily convertible debentures of the Company, such that the Investor holds the same number of compulsorily convertible debentures of the Company as held by it immediately prior to the conversion of such compulsorily convertible debentures. It is clarified that the terms and conditions attached to such compulsorily convertible debentures shall not be more favourable to the Investor than the terms and conditions attached to the Investor CCDs as under the Agreement.”

QUALIFIED SECONDARY SALE

Article 31 provides that

- “(a) If the Promoters fail to cause the Company to complete a Qualified IPO within the First QIPO Window and the Second QIPO Window, then the Promoters shall cause, within the Extended QIPO Window, the occurrence of either (i) a Qualified IPO; or (ii) a Qualified Secondary Sale. In the event of a Qualified IPO, such Qualified IPO shall be completed in accordance with the provisions of Article 30. In the event that the Promoters are unable to cause the Company to undertake an IPO within the First QIPO Window, Second QIPO Window or the Extended Liquidity Window for the reasons set out in Article 31 (e), then, the Promoters shall procure that a Qualified Secondary Sale be undertaken in accordance with the provisions of this Article 30.
- (b) In the event that the Promoters have not undertaken any actions required to be undertaken under Article 31 in order to enable the completion of a Qualified IPO within the Extended Liquidity Window, then the Promoters shall, at least 1 (one) month prior to the expiry of the Extended Liquidity Window, deliver or cause to be delivered to the Investor, a written notice for the Qualified Secondary Sale (“**Qualified Secondary Sale Notice**”), which Qualified Secondary Sale Notice shall contain a genuine, binding and irrevocable offer from an Unrelated Investor to acquire the Investor Sale Securities as set out in this Article 31 (b) and shall specify: (i) the Qualified Liquidity Event Valuation on the basis of which the securities shall get acquired, (ii) Percentage shareholding of the Company proposed to be acquired by the Unrelated Investor, which number shall not be lower than percentage shareholding held by the Investor and its Affiliates in the Company (“**Investor Sale Securities**”), provided that the Investor’s percentage shareholding in the Company were equal to Subscription Consideration divided by Post-Money Equity Valuation; (iii) the terms of purchase of such Investor Sale Securities, including

the total value of the consideration per Investor Sale Security to be received from the Unrelated Investor in connection with the proposed Qualified Secondary Sale (“**Qualified Secondary Sale Price**”); and (iii) the identity of the Unrelated Investor.

- (c) The Investor shall have the right, but not the obligation, to sell any or all of the Investor Sale Securities to the Unrelated Investor, which right shall be exercisable by the delivery of a written notice by the Investor to the Promoters and the Unrelated Investor, which notice shall specify (i) the number of Investor Securities proposed to be sold by the Investor; and (ii) the aggregate Qualified Secondary Sale Price per Investor Sale Security multiplied by the number of Investor Sale Securities to be sold (“**Aggregate Qualified Secondary Sale Price**”). The Investor and its Affiliates will not be required to make any representations or warranties, or have any indemnification obligations, except other than in relation to the title of the Investor Sale Securities proposed to be sold to the Unrelated Investor pursuant to this Article 31.
- (d) A Qualified Secondary Sale shall be deemed to have been completed, only once the sale of the Investor Sale Securities by the Investor and/or its Affiliates to the Unrelated Investor is completed and upon receipt by the Investor and/or its Affiliates of the entire amount of the Aggregate Qualified Secondary Sale Price, in immediately available funds.
- (e) The Promoters and the Company undertake that the right of the Promoters to procure a Qualified Secondary Sale for the Investor shall only be exercised in the event that the Company is unable to undertake an IPO with a pre-money equity valuation in excess of INR 14,000,000,000 (Rupees fourteen billion).
- (f) In the event that the Investor does not, within a period of 15 (fifteen) Business Days from the receipt of a Qualified Secondary Sale Notice, notify the Company and such Unrelated Investor of the Investor’s intent to sell all of the Investor Sale Securities pursuant to the receipt of a Qualified Secondary Sale Notice, then (i) the rights of the Investor pursuant to Article 33 and Article 34(a)(i) shall automatically terminate and cease to have effect; and (ii) the Investor CCDs shall convert in accordance with the Conversion Ratio, where the “Qualified Liquidity Event Valuation” shall be the equity valuation ascribed to the Company by the Unrelated Investor for the purpose of the Qualified Secondary Sale. Such conversion shall take place in a manner such that the Post-Money Equity Valuation is subject to the Post-Money Entry Amount.

OTHER EXIT RIGHTS

Article 32 provides that “If the Promoters fail to procure that (i) a Qualified IPO is undertaken and completed within the First QIPO Window or Second QIPO Window; and (ii) a Qualified IPO or Qualified Secondary Sale is undertaken and completed within the Extended Liquidity Window, then the Investor may by notice to the Company and the Promoters require the Promoter to provide the Investor with an exit option, in accordance with the terms of Article 33.”

PROMOTER PUT OPTION AND QUALIFIED OFFER

Article 33 provides that

- “(a) In the event that a Qualified Liquidity Event has not occurred within the First QIPO Window, the Second QIPO Window or the Extended Liquidity Window, then the Investor shall have the right, exercisable in its sole discretion, to require the Promoters to purchase, at the Put Price, all of the Investor Securities then held by the Investor and its Affiliates in the Company (“**Promoter Put Option**”). Such Promoter Put Option shall be exercisable by the Investor by delivery of a written notice (“**Put Notice**”) to the Promoters, at any time after the expiry of the Extended Liquidity Window, which Put Notice shall specify the number of Investor Securities then held by the Investor and its Affiliates in the Company and all of which are to be transferred pursuant to the Promoter Put Option. The Promoter undertakes to acquire the Investor Securities for a consideration equal to Put Price within 6 (six) months of the Put Notice.
- (a) The Promoter shall, at any time following the expiry of 5 (five) years from the Completion Date, have the right to issue a written notice (“**Request to Put Notice**”) to the Investor, requiring the Investor to issue the Put Notice. In the event that the Investor does not issue the Put Notice within a period of 15 (fifteen) Business Days from the receipt of the Request to Put Notice, then (i) the rights of the Investor

pursuant to this Article 33 and Article 34 (a)(i) shall automatically terminate and cease to have effect; and (ii) the Investor CCDs shall convert in accordance with the Conversion Ratio, where the “Qualified Liquidity Event Valuation” shall be equal to the FMV. Such conversion shall take place in a manner such that the Post-Money Equity Valuation is subject to the Post-Money Entry Amount, and such that the maximum number of Equity Shares resulting from such conversion shall be such as is specified in the Agreement. The Promoter shall, within 15 (fifteen) Business Days from the receipt of the Put Notice, or from the issuance of the Request to Put Notice, in consultation and with an Investor Consent, appoint 2 (two) reputed investment bankers to determine the FMV of the Company in accordance with Schedule 7 of the Agreement.

- (b) Upon the determination of the FMV of the Company in accordance with **Schedule 7** of the Agreement, the Investor shall issue to the Promoters a written notice (“**Put Price Notice**”) setting out the price at which the Investor Securities are required to be purchased from the Investor pursuant to the Promoter Put Option (“**Put Price**”), which Put Price shall be the higher of (i) the Instrument FMV; and (ii) the Subscription Consideration compounded at an IRR of 17% (seventeen percent) p.a. (seventeen per cent per annum) for the period between the Completion Date and the Put Honour Date, subject to the Put Amount Cap.
- (c) Subsequent to the receipt of the Put Notice, but prior to the determination of the FMV in accordance with Schedule 7 of the Agreement, the Promoters may elect to submit to the Investor a written notice (“**Offer to Honor Put**”) containing a genuine, binding and irrevocable offer from a nominee of the Promoters to acquire all the Investor Securities, which shall specify: (i) the number and type of the Investor Securities proposed to be acquired by the Unrelated Investor, which number shall not be lower than all of the Investor Securities then held by the Investor and its Affiliates in the Company (“**Liquidity Event Securities**”); (ii) the identity of the Promoter nominee; and (iii) the valuation ascribed by such nominee to 100% (one hundred per cent) of the Equity Share Capital, on a Fully Diluted Basis (“**Liquidity Equity Valuation**”).
- (d) Upon determination of the FMV, Investor shall determine if the Offer to Honor Put is a Qualified Offer based on the Liquidity Equity Valuation. In the event that the Investor accepts the Qualified Offer, then upon completion of the sale of the Investor Securities to such nominee of the Promoters and simultaneous receipt of the full consideration for such sale, the Promoter shall have no further obligation pursuant to this Article 33. In the event that the Promoters procure a genuine, binding and irrevocable Qualified Offer but the Investor rejects such offer, then the Investor shall be deemed to have waived its rights under Article 33, and the Promoters shall have no obligation to procure an exit for the Investor in accordance with Article 33.
- (e) In the event that the Promoter does not deliver, or cause the delivery of, a Qualified Offer to the Investor prior to the determination of the FMV, pursuant to Schedule 7, then the Promoters shall be deemed to have waived their right to elect to procure a Qualified Offer and shall be obligated to complete the purchase of the Investor Securities pursuant to the Promoter Put Option, which purchase shall be completed on a Business Day as may be mutually agreed to between the Promoters and the Investor, and which shall not be later than 6 (six) months from the date of the Put Notice. In the event that the Promoter has delivered, or caused the delivery of, a Qualified Offer to the Investor, and if the Investor accepts such Qualified Offer as provided in Article 33 (e) and Article 33 (f), then (i) the Transfer of the Investor Securities to the Promoters’ nominee pursuant to such Qualified Offer shall take place on a Business Day as may be mutually agreed to between the Promoters and the Investor, and which shall not be later than 6 (six) months from the date of the Put Notice; and (ii) the Investor shall be paid, simultaneously with the completion of such Transfer, the Instrument FMV Based on Qualified Offer by the Promoters’ nominee, and an amount equal to the difference between the Put Price and the Instrument FMV Based on Qualified Offer by the Promoters, if the Instrument FMV in such case is lower than the Put Price.

Notwithstanding the foregoing, it is clarified that in the event that the offer pursuant to the Qualified Offer is accepted by the Investor but that the sale is not consummated and the Liquidity Event Price (and to the extent applicable, an amount equal to the difference between the Put Price and the Liquidity Event Price) is not received by the Investor in immediately available funds, the Promoters shall be obligated to complete the purchase of the Investor Securities pursuant to the Promoter Put Option, and the Investor shall continue to be entitled to all its rights under Article 33.”

LIQUIDATION PREFERENCE

Article 35 provides that

- “(a) Subject to Law and until the completion of an IPO of the Company, in the event of (i) any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, (ii) any form of corporate reorganization in which the Shareholders of the Company do not own a majority of the outstanding equity shares of the surviving entity, or (iii) any sale of all or substantially all of the Assets of the Company (any such event, a “**Liquidation**”, the events enumerated in (ii) and (iii) herein also being referred to as “**Deemed Liquidation**”), the total proceeds from such Liquidation remaining after discharging or making provision for discharging the liabilities of the Company, shall be distributed:
- (i) First to the Investor, an amount which would result in the Investor receiving an aggregate amount equivalent to the Subscription Consideration compounded at an IRR of 25% p.a. (twenty five per cent) for the period between the Completion Date and the date of completion of the distributions, plus all declared but unpaid dividends (“**Liquidation Preference Amount**”);
 - (ii) Second, to the Promoters and other Shareholders of the Company, their Pro Rata Share, in proportion to their *inter se* percentage of shareholding in the Company, until they have collectively received an amount equal to the amount that the Investor receives pursuant to the immediately preceding Article 35(a)(i), on a per Equity Share basis (on a Fully Diluted Basis); and
 - (iii) To the extent that there are assets available for distribution after payment of the Liquidation Preference Amount to the Investor and the amounts to the Promoters and other Shareholders pursuant to Article 35 (a)(i) and Article 35(a)(ii), above, all Shareholders will share pro rata, on a Fully Diluted Basis, assuming a full conversion of the Investor CCDs, in the distribution of such remaining Assets.
- (b) In the event that Article 35(a), hereinabove, is not, for any reason, applicable, the following shall be applicable:
- (c) In the event of Deemed Liquidation if the allocation of the proceeds among the Investor and the Promoters in the manner set forth above in Article 35(b), conflicts with any applicable Law, the Company shall, before the Deemed Liquidation, issue to the Investor, at par value, such number of Equity Shares as shall cause the distribution to the Investor, pursuant to the Deemed Liquidation, to be in such amounts as such Investor would have received had the allocation in accordance with Article 35(a) been permitted.
- (d) The Investor shall also have the right to seek conversion of the Investor Securities to a different class of shares (enabling the Investor to have preferential access to cash-flows of the Company in the event of a Liquidation or Deemed Liquidation) to the extent that such equity structures are permitted under applicable Law. Other than as required by Law, this action shall not require any consent of other Shareholders of the Company.”

RESERVED MATTERS

Article 53 provides that

- “(a) The Company and its Promoters, the Promoter Group, the Board of Directors, Key Officers, Committees, Committee members, employees, agents or any of their respective delegates shall not and the Promoters shall procure that none of the Company nor any of its Promoters, Promoter Group Directors, Key Officers, Committees, Committee members, employees, agents or any of their respective delegates shall, without an Investor Consent obtained in accordance with this Article 53, take or resolve to take or commit to any of the actions set forth in Article 53(e) (“**Reserved Matters**”), whether by circular resolution or otherwise.
- (b) The agenda for any Board Meeting or Shareholders’ Meeting at which such Reserved Matter is proposed to be discussed (“**Subject Meeting**”) shall specify in reasonable detail the action in relation to which consent is being sought (“**Proposed Action**”) and necessary background and other information and/or supporting documents pertaining to such action, and the Company shall provide a

copy of such notice, agenda and supporting documents to the Investor. In the event that an Investor Consent has not been obtained prior to the date of the Subject Meeting or if at least 1 (one) Investor Director (in the case of a Board Meeting) or 1 (one) authorized representative of the Investor (in the case of a Shareholders' Meeting) is not present at the Subject Meeting, then the matter shall not be discussed at the Subject Meeting, and the Proposed Action shall not be undertaken. Any Proposed Action may only be taken upon the receipt of an Investor Consent in respect of the Proposed Action.

- (c) Without prejudice to the foregoing, the Company shall procure that any actions taken or resolutions passed or commitments made in breach of this Article 53 shall be void *ab initio*, and all such actions, resolutions and commitments shall be unwound or terminated as soon as practicable.
- (d) The provisions of this Article 53 shall apply mutatis mutandis in any Subsidiary of the Company as may be established from time to time.
- (e) The following actions in respect of the Companies and all the Subsidiaries of the Company shall constitute Reserved Matters and all references to the Company in this Article shall be deemed to include references to all Subsidiaries of the Company:
 - (i) Acquisition of, investment in, or divestment of shares or assets of other businesses, companies, corporations, creation of joint ventures, Subsidiaries, partnerships, consortiums, mergers, de-mergers, consolidations or other corporate restructuring;
 - (ii) Any investment in any business, activities or projects other than the Project and including any utilization of any Promoter Funding or other contributions made by the Promoter for any business, activities or projects other than the Project, and any actions proposed to be taken by the Company with regard to any business or activities other than the Project, commencement of or investment in any new line of business unrelated to the Core Activities or the Non-Core Activities, any investment or trading activities including in relation to derivative transactions (other than foreign currency hedges in the Ordinary Course of Business);
 - (iii) Capital expenditure including acquisition of assets, construction or lease in excess of INR 50,000,000 (Rupees fifty million) per annum except as approved in the Business Plan or budget, where any deviation to the Business Plan is a reserved matter if the specific deviation by itself or on a cumulative basis is greater than INR 50,000,000 (Rupees fifty million);
 - (iv) Any agreements, of any value, between the Company and any Related Party, entering into, termination of, or modification of or amendment to any transaction, agreements or arrangements between the Company and any Related Party;
 - (v) Amendments or any proposal to amend the Amended Charter Documents.
 - (vi) Commencement or settlement of litigation where the amount involved is above INR 10,000,000 (Rupees ten million) in any particular Financial Year;
 - (vii) Changes to material accounting or tax policies or practices, appointment or removal of or any change to the internal or statutory auditors of the Company;
 - (viii) Recommend giving or renewing of any Security Interest by the Company (except for any Security Interest already in existence and disclosed to the Investor as on the date hereof) for the guarantee of debts or obligations of any Person, unless such Security Interest is (i) to a Governmental Authority in the Ordinary Course of Business, and (ii) for an amount that does not exceed INR 50,000,000 (Rupees fifty million) on an individual or a cumulative basis;
 - (ix) Declaration or distribution of any dividend;
 - (x) Creating of any Security Interest over or Transfer of (including by sale, lease, transfer, license) any substantial part of any assets or undertaking of the Company or its Affiliates unless such action is (i) in the Ordinary Course of Business, and (ii) over assets or undertakings valued at an amount not exceeding INR 5,000,000 (Rupees five million) on an individual or cumulative basis;

- (xi) Any conversion into the Equity Share Capital, and/or any payment or repayment, in full or part, of any Promoter Funding;
- (xii) Winding up or liquidation of the Company or its Affiliates;
- (xiii) Appointment of any independent Directors to the Board;
- (xiv) Any agreement, arrangement, transaction, license, assignment or other Transfer of (including creation of a Security Interest over) any intellectual property rights by the Company including those relating to copyrights, trademarks, patents and designs;
- (xv) The appointment or removal and determination of the terms of employment of the management or other senior executive employees such as chief technical officer or chief financial officer and any significant changes in the terms of their employment agreements, adoption of or any changes to any management incentive scheme;
- (xvi) Save and except as specifically identified in the Business Plan, entry into, amendment or termination of any agreement or commitment that imposes or is likely to impose obligations on the Company or its Affiliates to pay, or any liability on the Company or its Affiliates of, an amount of INR 20,000,000 (Rupees twenty million) or more in a single transaction or INR 50,000,000 (Rupees fifty million) on a cumulative basis;
- (xvii) Any increase in the issued, subscribed or paid up Equity Share Capital of the Company, or re-organization of the Equity Share Capital of the Company, other than as expressly required under the Agreement or other than pursuant to a Qualified IPO undertaken in accordance with the terms of the Agreement, including new issue of Shares or other securities of the Company or any preferential issue of Shares or redemption of any shares, issuance of non-convertible debentures or warrants, or grant of any options over its Shares by the Company, or the alteration of any rights or terms of issue of any Shares or Share Equivalents issued by the Company, or any Transfer of Securities;
- (xviii) Approval of or any modification to any employee stock option plan or scheme for issuance of stock options, sweat equity shares to any Person;
- (xix) Adoption or amendment of the annual operating budget, Business Plan and accounting policy of the Company (including any change in the Company's policies regarding foreign exchange loss or gain) or the creation or incurrence of any Indebtedness (including lines of credit) not contemplated in the annual operating budget of the Company; and
- (xx) Any commitment or agreement to do any of the foregoing, or any delegation of any authority to do any of the foregoing.

For the avoidance of doubt, it is clarified that all financial limits mentioned in this Article are indicated on an aggregate basis across the Company and all Subsidiaries.”

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/Issue Closing Date.

A. Material Contracts for the Issue

1. Issue Agreement dated May 20, 2014 entered among our Company, the Selling Shareholder and the GCLMs.
2. Registrar Agreement dated April 30, 2014 entered among our Company, the Selling Shareholder and the Registrar to the Issue.
3. Escrow Agreement dated February 5, 2015 between our Company, the Selling Shareholder, the Registrar to the Issue, the GCLMs, the Syndicate Members, the Escrow Collection Bank(s) and the Refund Bank(s).
4. Selling Shareholder's Share Escrow Agreement dated February 5, 2015 between the Selling Shareholder, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated February 5, 2015 between our Company, the Selling Shareholder, the GCLMs, the Syndicate Members and the Registrar to the Issue.
6. Underwriting Agreement dated [●] between our Company, the Selling Shareholder and the Underwriters.

B. Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated February 10, 2010.
3. Fresh certificate of incorporation dated April 27, 2010 pursuant to the conversion of our Company into a public limited company.
4. Resolutions of the Board of Directors dated May 17, 2014 in relation to the Issue and other related matters.
5. Shareholders' resolution dated May 17, 2014 in relation to this Issue and other related matters.
6. Resolution dated April 17, 2014 passed by the board of directors of the Selling Shareholder approving the Offer for Sale.
7. Consent from the Selling Shareholder dated May 19, 2014 in relation to the Offer for Sale.
8. The auditors reports dated January 31, 2015 issued by the Statutory Auditors on the restated standalone financial statements of our Company and auditors report dated January 31, 2015 on the restated consolidated financial statements of our Company included in this Red Herring Prospectus.
9. The Statement of Tax Benefits dated January 31, 2015 issued by the Statutory Auditors.
10. Consent of the Directors, the GCLMs, the Syndicate Members, Domestic Legal Counsel to our Company, Special Counsel to our Company, Domestic Legal Counsel to the GCLMs, International Legal Counsel to the GCLMs, Registrar to the Issue, Escrow Collection Bank(s),

Bankers to the Issue, Bankers to our Company, Company Secretary and Compliance Officer as referred to in their specific capacities.

11. Due Diligence Certificate dated May 20, 2014 addressed to SEBI from the GCLMs.
12. Investment Agreement dated August 30, 2013 between our Company, Thrill Park, Manmohan Shetty, Aarti Shetty and IDBI Trusteeship Services Limited, acting in its capacity as trustee of India Advantage Fund-S31, acting through its investment manager ICICI Venture Funds Management Company Limited.
13. JB Investment Agreement dated October 8, 2014 entered into among our Company, our Promoters, NYLIM Jacob Ballas India Holdings IV and Jacob Ballas Capital India Private Limited and the inter-se agreement dated October 8, 2014 entered into among our Company, Promoters, India Advantage Fund and the Pre-IPO Investors.
14. Shareholders' Agreement dated December 9, 2012 between Thrill Park and Royale Luxury Private Limited and the letter dated May 15, 2013 entered among Thrill Park, our Company, Rolaye Luxury Private Limited and Royale Thrill Ventures Private Limited.
15. Memorandum of understanding dated July 1, 2013 entered into by our Company with certain parties to form a consortium for submitting bids to Guj-Tour Development Company Limited.
16. Hotel Management Agreement dated August 29, 2014 entered into between our Company and AAPC India Hotel Management Private Limited.
17. Agreement dated September 30, 2014 between our Company and Kapil Bagla in relation to his appointment and remuneration as whole time director of our Company.
18. In principle listing approvals dated June 19, 2014 and June 25, 2014 issued by BSE and NSE, respectively.
19. Tripartite agreement dated April 21, 2014 between our Company, NSDL and the Registrar to the Issue.
20. Tripartite agreement dated May 14, 2014 between our Company, CDSL and the Registrar to the Issue.
21. SEBI observation letter no. CFD/DIL-1/BNS/SD/29639/2014 dated October 13, 2014.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

The Selling Shareholder, hereby certifies that all statements made in this Red Herring Prospectus are true and correct, provided however, that the Selling Shareholder assumes no responsibility for any of the statements made by the Company in this Red Herring Prospectus, except statements made by the Selling Shareholder in relation to itself as a Selling Shareholder and the Equity Shares offered and sold in the Offer for Sale.

Signed by the Selling Shareholder

For Thrill Park Limited

Date: February 19, 2015

Place: Mumbai

DECLARATION

All relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

Manmohan Shetty
(Chairman and Managing Director)

Kapil Bagla
(Whole-time Director and Chief Executive Officer)

Prashant Purker
(Non-Executive and Nominee Director)

Anjali Seth
(Non-Executive and Independent Director)

Ghulam Mohammed
(Non-Executive and Independent Director)

Steven A. Pinto
(Non-Executive and Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER

Rakesh Khurmi
(Chief Financial Officer)

Date: February 19, 2015
Place: Mumbai