DRAFT RED HERRING PROSPECTUS
Dated March 24, 2015
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Book Built Offer

AGS TRANSACT TECHNOLOGIES LIMITED

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

Registered Office: 601- 602 Trade World, B Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra,India
Tel: +91 22 6781 2000;**Fax:** +91 22 2493 5384
Corporate Office: 14th Floor, Tower 3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400 013, Maharashtra, India; **Tel:** +91 22 7181 8181
Contact Person: Mr. Ajit Pethe, Company Secretary and Compliance Officer
Email: ipo@agsindia.com; **Website:** www.agsindia.com
Corporate Identity Number: U72200MH2002PLC138213

OUR PROMOTER: MR. RAVI B. GOYAL

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

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

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

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

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") and in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI Regulations**"), wherein 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), provided that our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. Retail Individual Investors may participate in the Offer through an Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective ASBA accounts in which the corresponding Bid Amounts will be blocked by the SCSBs. QIBs (except Anchor Investors) and Non-Institutional Investors are mandatorily required to utilise the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see the section "*Offer Procedure*" on page 396. A copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the Registrar of Companies, Maharashtra at Mumbai ("**RoC**") in accordance with the Companies Act, 2013. Also, please see the section "*Material Contracts and Documents for Inspection"* on page 485.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times of the face value. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Offer Price (determined and justified by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, as stated in the section "*Basis for Offer Price*" on page 96) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "*Risk Factors*" on page 13.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received an 'in-principle' approval from each of the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be the [●].

BOOK RUNNING LEAD MANAGERS					REGISTRAR TO THE OFFER
Axis Capital Limited 1st Floor, Axis House, C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India Tel: + 91 22 4325 2183 Fax : +91 22 4325 3000 Email: ags.ipo@axiscap.in Website: www.axiscapital.co.in Investor grievance ID: complaints@axiscap.in Contact person: Ms. Kanika Goyal SEBI registration number: INM000012029	**Citigroup Global Markets India Private Limited** 1202, 12thFloor, First International Financial Centre, G-Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India Tel: +91 22 6175 9999 Fax: +91 22 6175 9961 Email: agsttl.ipo@citi.com Website: www.online.citibank.co.in / rhtm/citigroupglobalscreen1.htm Investor grievance ID: investors.cgmib@citi.com Contact person: Mr. Siddhartha Singh SEBI registration number: INM000010718	**HDFC Bank Limited** Investment Banking Group, Unit No. 401 & 402, 4th floor Tower B, Peninsula Business Park Lower Parel, Mumbai 400 013 Maharashtra, India Tel: +91 22 3395 8019 Fax: +91 22 3078 8584 Email: ags.ipo@hdfcbank.com Website: www.hdfcbank.com Investor Grievance e-mail: investor.redressal@hdfcbank.com Contact person: Mr. Rishi Tiwari/ Mr. Keyur Desai SEBI registration Number: INM000011252	**ICICI Securities Limited** ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Email: agsttl.ipo@icicisecurities.com Website: www.icicisecurities.com Investor grievance ID: customercare@icicisecurities.com Contact person: Mr. Anurag Byas SEBI registration number: INM000011179	**Kotak Mahindra Capital Company Limited** 1st Floor, 27 BKC, Plot No. 27, "G" Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India Tel: +91 22 4336 0000 Fax: +91 22 6713 2447 Email: agstransact.ipo@kotak.com Website: www.investmentbank.kotak.com Investor grievance ID: kmccredressal@kotak.com Contact person: Mr. Ganesh Rane SEBI registration number: INM000008704	**Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound, L.B.S. Marg Bhandup West Mumbai 400 078 Maharashtra, India Tel: +91 22 6171 5400 Fax: + 91 22 2596 0329 Email: ags.ipo@linkintime.co.in Website: www.linkintime.co.in Investor grievance ID:ags.ipo@linkintime.co.in Contact person: Mr. Sachin Achar SEBI registration number: INR000004058

BID/OFFER PROGRAMME

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

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

[2] Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI Regulations.

TABLE OF CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act or regulation will be deemed to include all amendments and modifications notified as of the date of this Draft Red Herring Prospectus.

General Terms

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

Company Related Terms

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

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

Offer Related Terms

Term	Description
Allot or Allotment or Allotted	Allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, in accordance with the SEBI Regulations
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus which will be decided by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs
Anchor Investor Bid/Offer Period	The day, one Working Day prior to the Bid/Offer Opening Date, on which Bids by

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

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

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

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

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

Technical/Industry Related Terms/Abbreviations

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

Conventional Terms/Abbreviations

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

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

Term	Description
	Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act
PAT	Profit After Tax
PSAR Act	Private Security Agencies (Regulation) Act, 2005
PSS Act	Payment and Settlement Systems Act, 2007
QFIs	Qualified Foreign Investors as defined under the SEBI FPI Regulations
RBI	Reserve Bank of India
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Guidelines	Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Sq. Ft. or sq. ft.	Square feet
State Government	The government of a state in India
Stock Exchanges	The BSE and the NSE
Supreme Court	The Supreme Court of India
US GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
WLA Guidelines	The guidelines on WLAs in India issued by the RBI on June 20, 2012

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

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

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

Financial Data

Unless stated or the context requires otherwise, our financial data included in this Draft Red Herring Prospectus is derived from our Company's restated consolidated and unconsolidated financial information, as of and for the financial years ended March 31, 2014, 2013, 2012, 2011 and 2010 and as of and for the six months ended September 30, 2014, prepared in accordance with the Companies Act, Indian GAAP and restated in accordance with the SEBI Regulations. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals (including percentages) have been rounded off to one or two decimals.

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

There are significant differences between Indian GAAP, US GAAP and IFRS. The reconciliation of the financial information to IFRS or US GAAP financial statements has not been provided. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the restated consolidated and unconsolidated financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

Currency of Presentation

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

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

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

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

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

Exchange Rates

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

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

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

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

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

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

Industry and Market Data

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

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

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

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

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely" "objective", "plan", "project", "seek to", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

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

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 13, 134 and 275, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

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

SECTION II: RISK FACTORS

RISK FACTORS

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

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See "Forward-Looking Statements" on page 12.

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

Internal Risk Factors

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

We expect we will continue to rely on these third-party service providers as we expand our business. These third parties may experience disruptions, provide lower quality service or increase the prices of their products or services for a number of reasons that are beyond our control. As a result, we cannot be certain that we will continue to receive satisfactory services or products on acceptable terms or at all. Should we experience a disruption in the supply, or quality, of these services or products, or if such contracts for services expire, we may not be able to find a replacement or renew our contracts, as the case may be, in a timely fashion, on favourable terms or at all, we could suffer a significant disruption in our business, which could have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

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

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

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

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

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

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

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

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

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

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

**The amounts indicated are approximate amounts, wherever quantifiable.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Expanding into international markets is important to our long-term success and we have recently begun providing our Banking Automation Solutions in Singapore, Cambodia, the Philippines and Indonesia. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each country. In increasing our headcount and our revenue generated in foreign countries, we face various risks, including:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

In order to retain flexibility and control costs, we appoint independent contractors who, in turn, engage on-site contract labour to perform certain operations, including providing security. We have obtained registration as a principal employer under the Contract Labour (Regulation and Abolition) Act, 1970 ("**Contract Labour Act**") for certain of our establishments where workmen are employed through contractors or agencies licensed under the Contract Labour Act. For further details, please see the section "*Government and Other Approvals*" on page 360. Although we do not engage these labourers directly, in the event of default by any independent contractor, we may be held responsible for any wage payments that must be made to such labourers. Any violation of the provisions of the Contract Labour Act by us is punishable with, *inter-alia*, imprisonment for every person in charge of and responsible for the conduct of the business of our Company at the time of the commission of the offense. For example, we were named in a notice, dated February 20, 2014, sent by the Regional Labour Commissioner (Central), Chennai to Axis Bank Limited in relation to non-payment of wages under the Contract Labour Act to certain security guards, field officers and coordinators at various ATMs of Axis Bank Limited in Tamil Nadu and Puducherry by a contractor of our Company. For details, please see the section "*Outstanding Litigation and Material Developments*" on page 353. If we are required to pay the wages of the contracted workmen and subjected to other penalties under the Contract Labour Act, our reputation, results of operations, cash flows and financial condition could be adversely affected.

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

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

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

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

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

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

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

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

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

We have entered into leave and license agreements in respect of our Registered Office with Mr. Ravi B. Goyal, our Promoter, and Mrs. Anupama R. Goyal, a member of the Promoter Group, which are valid until December 9, 2015 and August 15, 2015, respectively. As of September 30, 2014, we had provided a deposit of ₹25.00 million and ₹2.00 million to Mr. Ravi B. Goyal and Mrs. Anupama R. Goyal, respectively, and the monthly rent currently payable by us to Mrs. Anupama R. Goyal is ₹125,000. We have also entered into a leave and license agreement with Mr. Ravi B. Goyal in respect of our factory in Daman, which is valid for a period of four years and 11 months from June 1, 2011. As of September 30, 2014, we had provided a deposit of ₹37.50 million in respect of this property and the monthly rent currently payable by us to Mr. Ravi B. Goyal is ₹36,930. The total deposit provided to Mr. Ravi B. Goyal and outstanding as at September 30, 2014 is ₹62.50 million. We also lease other premises from which we operate, including our Corporate Office. If any of the owners of these premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavourable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

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

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

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

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

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

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

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

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

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

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

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

(in ₹ millions)

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

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

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

(in ₹ millions)

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

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

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

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

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

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

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

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

External Risks

Risk Related to India

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

We operate primarily in India and are dependent on domestic, regional and global economic and market conditions. Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. Our projected rate of growth for our business is only sustainable provided that the rate of economic development in India and growth in imports and exports do not slow down materially. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. The GDP growth rate of India was 4.5% in financial year 2013 and 4.7% in financial year 2014. *(Source: Indian Economic Survey 2013-14, Ministry of Finance, Government of India)* Any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition.

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

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

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

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

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

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

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

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

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

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

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

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

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and may result in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

On March 4, 2011, the Government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India.

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

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

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

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

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

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

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

India's wholesale price inflation index has experienced inflation. An increase in inflation in India could cause a rise in the cost of transportation, wages, raw materials or any other expenses. If this occurs, we may be unable to reduce our costs or pass our increased costs on to our customers and our business, results of operations, cash flows and financial condition may be adversely affected.

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

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

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

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

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

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

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

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

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

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

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

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

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

Risks Related to the Offer

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

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

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

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

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

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

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

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

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

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares.

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

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

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

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

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("**STT**") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

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

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

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

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

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

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

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

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

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

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

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

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

Prominent Notes

1. Offer of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share), aggregating up to ₹13,500 million, consisting of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹4,000 million by our Company and an Offer for Sale of up to [●] Equity Shares by the Selling Shareholders aggregating up to ₹9,500 million, comprising up to, [●] Equity Shares by TPG, aggregating up to ₹5,510 million, [●] Equity Shares by Oriole, aggregating up to ₹3,490 million and [●] Equity Shares by the Promoter Selling Shareholder, aggregating up to ₹500 million, respectively. The Offer will constitute [●]% of the post-Offer issued, subscribed and paid-up Equity Share capital of our Company. Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may consider undertaking the Pre-IPO Placement. Our Company and the Selling Shareholders will complete the issuance and allotment and transfer of Equity Shares pursuant to the Pre-IPO Placement prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue and the Offer for Sale, as applicable, subject to a minimum Offer of [●]% of the post-Offer paid-up Equity Share capital being offered to the public.

2. There has been no change in our Company's name in the three years immediately preceding the date of filing of this Draft Red Herring Prospectus. For further details in relation to the corporate history of our Company, see the section "*History and Certain Corporate Matters*" on page 158.

3. As of September 30, 2014, our Company's net worth was ₹4,514.84 million as per our Company's restated unconsolidated financial information and ₹4,311.60 million as per our restated consolidated financial information.

4. As of September 30, 2014, the net asset value per Equity Share was ₹38.18 as per our Company's restated unconsolidated financial information and was ₹36.46 as per our restated consolidated financial information.

5. As on the date of filing of this Draft Red Herring Prospectus, the average cost of acquisition of Equity Shares by our Promoter is as follows:

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

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

6. Except as disclosed in the sections "*Our Promoter, Promoter Group and Group Entities*" and "*Related Party Transactions*" on pages 186 and 195, respectively, none of our Group Entities have business interests or other interests in our Company.

7. For details of related party transactions entered into by our Company with our Promoter, Group Entities and Subsidiaries in the last financial year, including nature and cumulative value of such transactions, see the section "*Related Party Transactions*" on page 195.

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

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

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

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

Overview of the Indian Economy

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

Overview of the Indian Banking and NBFC Industry Structure

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

The Indian Payment System Infrastructure

Payment Instruments and Media

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

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

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

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

Payment Channels

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

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

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

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

Payment Switches

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

The Indian ATM Industry

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

Key Companies in the ATM Industry

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

ATM Management and Ownership

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

Service and Maintenance of ATMs

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

On-us and Off-us Transactions

Banks owning the ATMs charge a fee for providing the ATM facility to the customers of other banks. This fee, referred to as "interchange fee", is recovered by the ATM deploying bank from the card issuing banks. An apex level switch or inter-connectivity of ATM networks provides access to the customers to use any ATM in the country irrespective of the bank with which the customer is banking. *(Source: RBI: ATMs of Banks: Fair Pricing and Enhanced Access – Draft Approach Paper, http://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=1102)*

Key Growth Drivers for the Indian ATM Industry

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

The Cash Management Industry

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

Overview of the Indian Retail Business

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

Overview of the Indian Petroleum Fuel Dispensing Business

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

SUMMARY OF BUSINESS

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

Overview

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

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

We operate our business in the following segments:

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

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

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

- In our ATM outsourcing and managed services businesses, we are responsible for the end-to-end management of ATMs, starting from site identification and development, followed by machine deployment, maintenance and management on behalf of our customers. While in our outsourcing services business, we own the ATMs, under our managed services business, the ownership of these machines remains with the customers themselves. As of December 31, 2014, our portfolio consisted of 9,733 ATMs and 6,818 ATMs under our outsourcing and managed services businesses, respectively.

- Our subsidiary, SVIL's cash management services include cash pick-up, cash-in-transit, cash vaulting and cash processing services for ATMs managed by us and by other operators. As of December 31, 2014, we provide cash management services through a fleet of 421 cash vans, 15 vaults and 75 spoke locations, covering 440 cities and towns in India. For the six months ended December 31, 2014, SVIL replenished a daily average amount of ₹2,959.48 million.

- We also provide transaction switching services, where we integrate a variety of payment channels, including internet payment gateways and several mobile payment systems, to route, switch and process electronic transactions. This gives us the ability to cater to the needs of banks and other financial institutions across the payment transactions value chain, including assisting banks in the issuance of new cards, migrating their existing card base and the authorization of cards. Our in-house switch development software team also develops customized switching solutions for our customers. We launched our transaction switching services in 2011 and for the nine months ended December 31, 2014, we processed a daily average of 56,000 switching transactions.

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

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

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

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

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

Our Competitive Strengths

Our principal competitive strengths are as follows:

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

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

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

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

Diversified Product Portfolio, Customer Base and Revenue Streams

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

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

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

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

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

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

Experienced Senior Management

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

Our Strategy

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

The primary elements of our business strategy are as follows:

Focus on Developing an Integrated Payments Platform for our Customers

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

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

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

Capitalize on the Growing Banking and Payments Industry

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

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

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

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

We also intend to leverage our existing presence in the consumer-oriented sectors to service the growing demand for products and services offered under our Other Automation Solutions business segment. For example, the number of POS infrastructure units in India increased from 320,000 units on March 31, 2007 to 1,065,000 units on March 31, 2014. *(Source: http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=9170&Mode=0)*

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

Focus on ATM Outsourcing and Managed Services

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

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

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

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

Improve our Operational Efficiency

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

Focus on Cash Management Services

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

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

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

SUMMARY FINANCIAL INFORMATION

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

Restated Unconsolidated Financial Information of Assets and Liabilities

(Rs. in million)

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

Restated Unconsolidated Financial Information of Profits and Losses

(Rs. in million)

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

Restated Unconsolidated Financial Information of Cash Flows

(Rs. in million)

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