



LARSEN & TOUBRO INFOTECH LIMITED

Our Company was incorporated at Mumbai on December 23, 1996 as L&T Information Technology Limited, a public limited company under the Companies Act, 1956. Our Company obtained the certificate of commencement of business on March 25, 1997. The name of our Company was subsequently changed to Larsen & Toubro Infotech Limited and the Registrar of Companies, Maharashtra at Mumbai, issued a fresh certificate of incorporation on June 25, 2001. For further details, see "History and Certain Corporate Matters" beginning on page 148.

Registered Office: L&T House, Ballard Estate, Mumbai 400 001; **Tel:** (91 22) 6752 5656; **Fax:** (91 22) 6752 5893
Corporate Office: L&T Technology Center, Gate No.5, Saki Vihar Road, Powai, Mumbai 400 072; **Tel:** (91 22) 6776 6776; **Fax:** (91 22) 2858 1130
Contact Person: S. K. Bhatt, Company Secretary and Compliance Officer
E-mail: investor@lntinfotech.com; **Website:** www.lntinfotech.com
Corporate Identity Number: U72900MH1996PLC104693

OUR PROMOTER: LARSEN & TOUBRO LIMITED				
PUBLIC OFFER OF UP TO 17,500,000 EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH (THE "EQUITY SHARES") OF LARSEN & TOUBRO INFOTECH LIMITED (OUR "COMPANY") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) AGGREGATING UP TO ₹ [•] MILLION (THE "OFFER") THROUGH AN OFFER FOR SALE BY OUR PROMOTER, LARSEN & TOUBRO LIMITED (THE "SELLING SHAREHOLDER"). THE OFFER WOULD CONSTITUTE [•] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 1 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (THE "BRLMs") AND WILL BE ADVERTISED IN [•] EDITIONS OF [•], [•] EDITIONS OF [•] AND [•] EDITIONS OF [•] (WHICH ARE WIDELY CIRCULATED ENGLISH, HINDI AND MARATHI NEWSPAPERS, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE THE REGISTERED OFFICE OF OUR COMPANY IS LOCATED), EACH WITH WIDE CIRCULATION AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE. In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision 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 Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the Syndicate Members. In terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), this is an Offer for at least 10% of the post-Offer paid-up equity share capital of our Company. The Offer is being made in accordance 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"), through the Book Building Process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), provided that our Company and the Selling Shareholder may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, may participate in this Offer through an Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account which will be blocked by the SCSSBs. QIBs (except Anchor Investors) and Non-Institutional Bidders are mandatorily required to utilise the ASBA process to participate in this Offer. Anchor Investors are not permitted to participate in the Offer through ASBA Process. For details, see "Offer Procedure" beginning on page 364.				
RISKS IN RELATION TO THE FIRST OFFER				
This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 1 each and the Floor Price is [•] times the face value and the Cap Price is [•] times the face value. The Offer Price (determined and justified by our Company and the Selling Shareholder in consultation with the BRLMs as stated under "Basis for Offer Price" beginning 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				
Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 19.				
COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder accepts responsibility that this Draft Red Herring Prospectus contains all information about itself as the Selling Shareholder in the context of the Offer for Sale and assumes responsibility for statements in relation to itself included 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 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 [•].				
BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
Citigroup Global Markets India Private Limited 1202, 12th Floor First International Financial Centre G-Block Bandra Kurla Complex Bandra East Mumbai 400 051 Tel: (91 22) 6175 9999 Fax: (91 22) 6175 9961 E-mail: lntinfotech.ipo@citi.com Website: www.online.citibank.co.in/rhm/citigroupglobalscreen1.htm Investor grievance e-mail: investors.cgmb@citi.com Contact person: Gursartaj Singh Nijjar SEBI registration number: INM000010718	Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. 27, G Block Bandra Kurla Complex Bandra (East) Mumbai 400 051 Tel: (91 22) 4336 0000 Fax: (91 22) 6713 2447 E-mail: lntinfotech.ipo@kotak.com Website: http://investmentbank.kotak.com Investor grievance e-mail: kmccredressal@kotak.com Contact person: Ganesh Rane SEBI registration number: INM000008704	Barclays Bank PLC 801/808 Ceejay House Shivsagar Estate Dr. A. Besant Road, Worli Mumbai 400 018 Tel: (91 22) 6719 6001 Fax: (91 22) 6719 6187 E-mail: LnTInfotechIPO@barclays.com Website: http://www.barclays.in/investment-banking/index.html Investor grievance e-mail: BBPLConcerns@barclays.com Contact person: Raahi Kapadia SEBI registration number: INM000002129	ICICI Securities Limited ICICI Center, H.T. Parekh Marg Churchgate Mumbai 400 020 Tel: (91 22) 2288 2460 Fax: (91 22) 2282 6580 E-mail: lntinfotech.ipo@icicisecurities.com Website: www.icicisecurities.com Investor grievance e-mail: customercare@icicisecurities.com Contact persons: Prem Dcunha / Anurag Byas SEBI registration number: INM000011179	Sharepro Services (India) Private Limited 13 AB, Samhita Warehousing Complex, 2nd floor, Sakinaka Telephone Exchange Lane Andheri – Kurla Road Sakinaka, Andheri (E) Mumbai 400 072 Tel: (91 22) 6191 5400 Fax: (91 22) 6191 5444 E-mail: prakashk@shareproservices.com Website: www.shareproservices.com Investor grievance e-mail: lntinfo@shareproservices.com Contact person: Prakash A Khare SEBI registration number: INR000001476
BID/OFFER PROGRAMME				
BID/OFFER OPENS ON				[•]
BID/OFFER CLOSES ON				[•]

*Our Company and the Selling Shareholder 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.

** Our Company and the Selling Shareholder 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.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

General Terms

Term	Description
“our Company” or “the Company”	Larsen & Toubro Infotech Limited, a company incorporated under the Companies Act, 1956 and having its registered office at L&T House, Ballard Estate, Mumbai 400 001
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries

Company Related Terms

Term	Description
Articles of Association/ AoA	Articles of Association of our Company, as amended
Auditors/ Statutory Auditors	Sharp & Tannan, Chartered Accountants
Befula Investments	Befula Investments (Proprietary) Limited
Board/ Board of Directors	Board of directors of our Company or a duly constituted committee thereof
Chevron	Chevron USA, Inc.
Citibank	Citicorp North America, Inc.
Director(s)	Director(s) of our Company
ESOP Scheme, 2000	Larsen & Toubro Infotech Limited Employee Stock Ownership Scheme and Larsen & Toubro Infotech Limited Employee Stock Ownership Scheme Rules of 2000 as amended pursuant to board resolutions dated September 9, 2003, September 29, 2005, May 10, 2008, January 13, 2011 and July 17, 2013
ESOP Scheme, 2015	Larsen & Toubro Infotech Limited Employee Stock Option Scheme, 2015 and the Employee Stock Option Scheme, 2015 Rules
Equity Shares	Equity shares of our Company of face value of ₹ 1 each
Existing Employee Stock Option Plans	ESOP Scheme, 2000 and U.S Sub-Plan, 2006
GDA Technologies	GDA Technologies Limited
GDA Scheme	Scheme of amalgamation of GDA Technologies with our Company. For details, see “History and Certain Corporate Matters- Schemes of arrangement- Scheme of amalgamation entered into between GDA Technologies and our Company, which has been filed with the Bombay High Court and the Madras High Court” from page 150 to 151
GDA USA	GDA Technologies Inc., USA
Group Companies	Companies which are covered under the applicable accounting standards and also other companies as considered material by our Board
ISRC	Information Systems Resource Centre Private Limited
ISRC Scheme	Scheme of amalgamation of ISRC with our Company, as amended. For details, see “History and Certain Corporate Matters- Schemes of arrangement- Scheme of amalgamation entered into between ISRC and our Company” on page 150
Key Management Personnel	Key management personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013 and disclosed in “Our Management” from pages 163 to 164
L&T CTL	L&T Cutting Tools Limited
L&T IDPL	L&T Infrastructure Development Projects Limited

Term	Description
L&T Infotech Austria	Larsen & Toubro Infotech Austria GmbH
L&T Infotech Canada	Larsen & Toubro Infotech Canada Ltd.
LTIFST	L&T Infotech Financial Services Technologies Inc.
L&T Infotech GmbH	Larsen & Toubro Infotech GmbH
L&T Infotech LLC	Larsen & Toubro Infotech LLC
L&T Infotech South Africa	Larsen And Toubro Infotech South Africa (Proprietary) Limited
L&T	Larsen & Toubro Limited
L&T Infotech Shanghai	L&T Information Technology Services (Shanghai) Co. Limited
L&T International FZE	Larsen & Toubro International FZE
LTTS	L&T Technology Services Limited
MoA/ Memorandum of Association	Memorandum of Association of our Company, as amended
Promoter	The promoter of our Company is Larsen & Toubro Limited. For details, see “Our Promoter and Promoter Group” from pages 172 to 173
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations
Restated Financial Statements	Financial information prepared by the management of our Company from its audited financial statements (prepared in accordance with Indian GAAP) and is prepared in accordance with the requirements of (a) sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and (b) relevant provisions of the SEBI Regulations
Registered Office	Registered office of our Company located at L&T House, Ballard Estate, Mumbai 400 001
Registrar of Companies /RoC	The Registrar of Companies, Maharashtra at Mumbai
Shareholders	Shareholders of our Company
Subsidiaries	Subsidiaries of our Company, namely, L&T Infotech Financial Services Technologies Inc., Larsen & Toubro Infotech GmbH, Larsen & Toubro Infotech Canada Ltd., Larsen And Toubro Infotech South Africa (Proprietary) Limited, Larsen & Toubro Infotech Austria GmbH, Larsen & Toubro Infotech LLC, L&T Information Technology Services (Shanghai) Co. Limited and GDA Technologies Limited
Trademark License Agreement	Trademark license agreement dated August 20, 2015 entered into between our Company and our Promoter, and amendment agreement dated September 22, 2015 entered into between our Company and our Promoter
U.S Sub-Plan, 2006	Larsen & Toubro Infotech Limited Employee Stock Ownership Scheme - 2006 U.S Stock Option Sub-Plan

Offer Related Terms

Term	Description
Allot/ Allotment/ Allotted	Unless the context otherwise requires, transfer of the Equity Shares offered by the Selling Shareholder pursuant to the Offer for Sale to the successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Allotment Advice	Note, advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI Regulations
Anchor Investor Allocation Price	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 and the Selling Shareholder in consultation with the BRLMs
Anchor Investor Bid/ Offer Period	One Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall

Term	Description
	be completed
Anchor Investor Offer Price	Final price at which the 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 and the Selling Shareholder in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholder, in consultation with the BRLMs, to Anchor Investors on a discretionary basis One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount 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 Bidders participating in the Offer
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder	Prospective investors (other than Anchor Investors) in the Offer who intend to submit the Bid through the ASBA process
Banker(s) to the Offer / Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being [●]
Barclays	Barclays Bank PLC
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in “Offer Procedure” from pages 400 to 403
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 purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations
Bid Amount	Highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account upon submission of the Bid
Bid cum Application Form	Form used by a Bidder, including an ASBA Bidder, to make a Bid and which will be considered as the application for Allotment, in terms of the Red Herring Prospectus and the Prospectus
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 further Bids, which shall be notified in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation Our Company and the Selling Shareholder 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

Term	Description
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 shall start accepting Bids, which shall be notified in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office is located), 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
Bid Lot	[●]
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor
Book Building Process	Book building process, as provided in Schedule XI of the SEBI Regulations, in terms of which the Offer is being made
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 Broker are available on the respective website of the Stock Exchanges
Book Running Lead Managers or BRLMs	Book running lead managers to the Offer, being Citigroup Global Markets India Private Limited, Kotak Mahindra Capital Company Limited, Barclays Bank PLC and ICICI Securities Limited
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	Higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Citi	Citigroup Global Markets India Private Limited
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Cut-off Price	Offer Price finalised by our Company and the Selling Shareholder in consultation with the BRLMs Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Designated Branches	Such branches of the SCSBs which shall collect the Bid cum Application Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html or at such other website as may be prescribed by SEBI from time to time
Designated Date	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 Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC
Designated Stock Exchange	[●]
Draft Red Herring Prospectus / DRHP	This Draft Red Herring Prospectus dated September 28, 2015 issued in accordance with the SEBI Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer

Term	Description
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
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 Agent	Escrow agent appointed pursuant to the Share Escrow Agreement namely [●]
Escrow Agreement	Agreement to be entered into by our Company, the Selling Shareholder, the BRLMs, the Registrar to the Offer, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected from the Bidders (excluding the ASBA Bidders), on the terms and conditions thereof
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	Lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
General Information Document/ GID	General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI
I-Sec	ICICI Securities Limited
Kotak	Kotak Mahindra Capital Company Limited
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Non-Institutional Bidders or NIIs	All Bidders that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	Portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India as defined under FEMA and includes a non – resident Indian, FIIs, FVCI and FPIs
Offer Agreement	Agreement dated September 28, 2015 amongst our Company, the Selling Shareholder and the BRLMs pursuant to which certain arrangements are agreed to in relation to the Offer
Offer/ Offer for Sale	Offer for sale of up to 17,500,000 Equity Shares by the Selling Shareholder at the Offer Price aggregating up to ₹ [●] million in terms of the Red Herring Prospectus
Offer Price	Final price at which the Equity Shares will be Allotted in terms of the Red Herring Prospectus Offer Price will be decided by our Company and the Selling Shareholder in consultation with the BRLMs on the Pricing Date
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

Term	Description
	Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholder in consultation with the BRLMs and will be advertised, at least five Working Days prior to the Bid/ Offer Opening Date, in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●], (Marathi being the regional language of Maharashtra, where the Registered Office is located) each with wide circulation
Pricing Date	Date on which our Company and the Selling Shareholder, in consultation with the BRLMs, will finalise the Offer Price
Prospectus	Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI Regulations containing, <i>inter alia</i> , 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 Offer Account	Account opened with the Bankers to the Offer to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
QIB Category / QIB Portion	Portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors)
Qualified Institutional Buyers or QIBs / QIB Bidder	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 by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto The red herring prospectus will be registered with the RoC at least three days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	Account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to ASBA Bidders) shall be made
Refund Bank(s)	[●]
Refunds through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate
Registrar to the Offer or Registrar	Sharepro Services (India) Private Limited
Retail Individual Bidders/ RIBs	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	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
Revision Form	Form used by Bidders, including ASBA Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s) QIB Bidders and Non-Institutional Bidders are not allowed to lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage
Self Certified Syndicate	Banks registered with SEBI, offering services in relation to ASBA, a list of

Term	Description
Bank(s) or SCSB(s)	which is available on the website of SEBI at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html
Selling Shareholder	Larsen & Toubro Limited
Share Escrow Agreement	Agreement to be entered into amongst our Company, the Selling Shareholder, the BRLMs and the Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholder and credit of such Equity Shares to the demat accounts of the Allottees
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 SEBI (www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time
Syndicate Agreement	Agreement to be entered into amongst our Company, the Selling Shareholder, the BRLMs and the Syndicate Members in relation to 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 SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Syndicate or Members of the Syndicate	BRLMs and the Syndicate Members
TRS or Transaction Registration Slip	Slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriters	[●]
Underwriting Agreement	Agreement among our Company, the Selling Shareholder and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Bid/ Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Days” shall mean all days excluding Sundays and bank holidays in Delhi or Mumbai in accordance with circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010 issued by SEBI

Technical/ Industry Related Terms/ Abbreviations

Term	Description
ACV	Annual Contract Value
AIM	Analytics and Information Management
AML	Anti-Money Laundering
AO	Application Outsourcing
BFS	Banking and Financial Services
BFSI	Banking, Financial Services and Insurance
BI/ DW	Business Intelligence and Data Warehousing
BPM	Business Process Management
CADM	Custom Application Development and Management
CCAR	Comprehensive Capital Analysis and Review Regulations
COE	Centers of Excellence
CIO	Chief Information Officer
CIS	Customer Interaction And Support
CRM	Customer Relationship Management

Term	Description
DW	Data Warehousing
Delivery Centres	Our Company's delivery centres and proximity centers
EOU	Export Oriented Unit
EPC	Engineering, Procurement and Construction
ER&D	Engineering, Research and Development
FATCA	U.S. Foreign Account Tax Compliance Act of 2010
GIC	Global In-house Centres
IaaS	Infrastructure as a Service
ICT	Information and Communication Technology
IT	Information Technology
IMS	Infrastructure Management Services
IoT	Internet of Things
IT-BPM	Information Technology and Business Process Management
ITIL	IT Infrastructure Library
Kanban	A knowledge management method to achieve operational efficiencies
KPI	Key Performance Indicator
KYC	Know Your Client
MSA	Master Service Agreement
OTT	Over-The-Top
O&M	Operation and Maintenance
PES Business	Our Company's Product Engineering Services Business
R&D	Research and Development
SaaS	Software as a Service
SAP	Systems, Applications and Products
SEZ	Special Economic Zone
SMAC	Social, Mobile, Analytics and Cloud
STORRM	Search, Tag, Optimise, Retrieve, Repurpose and Monetise
STPI	Software Technology Parks of India
STPI Scheme	Software Technology Parks of India scheme
T&M	Time and Material
UXD	User Experience Design
USCIS	U.S. Citizenship and Immigration Services

Conventional and General Terms or Abbreviations

Term	Description
AGM	Annual General Meeting
AIF	Alternative investment funds as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
Arbitration Act	Arbitration and Conciliation Act, 1996

Term	Description
AS/ Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BCW Act	Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
BSE	BSE Limited
Bn/ bn	Billion
Bonus Act	Payment of Bonus Act, 1965
CAD	Canadian Dollar
CAGR	Compounded Annual Growth Rate
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CPC	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
Category I Foreign Portfolio Investors	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
Companies Act	Companies Act, 2013 and Companies Act, 1956, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Competition Act	Competition Act, 2002
Contract Labour Act	Contract Labour (Regulation and Abolition) Act, 1970
DIN	Director identification number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP ID	Depository participant identification
DP/ Depository Participant	A depository participant as defined under the Depositories Act
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
ECB	External Commercial Borrowings
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share

Term	Description
ESI Act	Employees' State Insurance Act, 1948
Employees' Compensation Act	Employees' Compensation Act, 1923
Equity Listing Agreement	Listing Agreement to be entered into with the Stock Exchanges on which the Equity Shares are to be listed
FCNR Account	Foreign currency non-resident account
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DIPP under D/o IPP F. No. 5(1)/2015-FC-1 dated May 12, 2015, effective from May 12, 2015
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign institutional investors as defined under the SEBI FPI Regulations
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
FIR	First Information Report
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
Financial Year/ Fiscal/ FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GIR	General Index Register
GoI or Government	Government of India
GST	Goods and Services Tax
Gratuity Act	Payment of Gratuity Act, 1972
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
ICSI	The Institute of Company Secretaries of India
IEC	Importer Exporter Code
IFRS	International Financial Reporting Standards
IPC	Indian Penal Code, 1860
Income Tax Act	Income-tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
Industrial Disputes Act	Industrial Disputes Act, 1947
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time

Term	Description
IT	Information Technology
JMFC	Judicial Magistrate First Class
km	Kilometres
Legal Metrology Act	Legal Metrology Act, 2009
Legal Metrology Rules	Legal Metrology (Packaged Commodities) Rules, 2011
LIBOR	London Interbank Offered Rate
MAT	Minimum Alternate Tax
Mn	Million
Mutual Fund (s)	Mutual Fund (s) means mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
N.A./ NA	Not Applicable
NAV	Net Asset Value
NBFC	Non-banking financial company registered with the RBI
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	Negotiable Instruments Act, 1881
NHAI	National Highways Authority of India
NHPC	National Hydroelectric Power Corporation
NR	Non-resident
NRE Account	Non-Resident External Account
NRI	An individual resident outside India who is a citizen of India or is an 'Overseas Citizen of India' cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RoNW	Return on Net Worth
₹/ Rs./ Rupees/ INR	Indian Rupees

Term	Description
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SPV	Special purpose vehicle
Sq. ft.	Square feet
STT	Securities transaction tax
State Government	The government of a state in India
Stock Exchanges	The BSE and the NSE
TDS	Tax deducted at source
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
UK	United Kingdom
U.S./ USA/ United States	United States of America
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD/ US\$	United States Dollars
U.S. Securities Act	U.S. Securities Act, 1933
VAT	Value-Added Tax
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations
Wealth Tax Act	Wealth-tax Act, 1957
ZAR	South African Rand

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.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

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

Financial Data

Unless stated otherwise, the financial information in this Draft Red Herring Prospectus is derived from our unconsolidated and consolidated Restated Financial Statements as of and for the Financial Years ended March 31, 2015, 2014, 2013, 2012 and 2011. These financial statements have been prepared in accordance with Indian GAAP and the Companies Act and restated under 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 have been rounded off to the second decimal and all percentage figures have been rounded off to one decimal places and accordingly there may be consequential changes in this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus, we have disclosed certain figures in USD without translation into Rupees, to ensure accurate representation (as such translations may be misleading).

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

Reference in this Draft Red Herring Prospectus to the terms Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, including IFRS and the reconciliation of the financial information to other accounting principles and auditing standards has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and investors should consult their own advisors regarding such differences and their impact on our Company’s financial data. See “Risk Factors” from pages 41 to 42 for risks involving differences between Indian GAAP and other accounting principles and auditing standards. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting policies, Indian GAAP, the Companies Act, the SEBI Regulations and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 19, 119 and 296, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the unconsolidated and consolidated Restated Financial Statements of our Company.

Currency and Units of Presentation

All references to:

- “CAD” are to Canadian Dollar, the official currency of Canada;
- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States.
- “ZAR” is the South African Rand, the official currency of South Africa.

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

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into 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 Rupees, at any particular rate or at all.

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

(in ₹)

Currency	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012
1 CAD*	49.02	54.25	53.38 ⁽¹⁾	51.04 ⁽²⁾
1 USD**	62.59	60.10 ⁽³⁾	54.39 ⁽⁴⁾	51.16 ⁽⁵⁾
1 EUR**	67.51	82.58 ⁽³⁾	69.54 ⁽⁴⁾	68.34 ⁽⁵⁾
1 ZAR*	5.13	5.66 ⁽⁶⁾	5.90 ⁽¹⁾	6.64 ⁽²⁾

*Source: Bloomberg reference rate

**Source: RBI reference rate

- (1) Exchange rate as on March 29, 2013, as Bloomberg reference rate is not available for March 31, 2013, and March 30, 2013 being a Sunday and Saturday, respectively
- (2) Exchange rate as on March 30, 2012, as Bloomberg reference rate is not available for March 31, 2012 being a Saturday
- (3) Exchange rate as on March 28, 2014, as RBI reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.
- (4) Exchange rate as on March 28, 2013, as RBI reference rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively
- (5) Exchange rate as on March 30, 2012, as RBI reference rate is not available for March 31, 2012 being a Saturday.
- (6) Exchange rate as on March 28, 2014, as Bloomberg reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively

Industry and Market Data

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

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the Selling Shareholder or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this 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 business of our Company is conducted, 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. Accordingly, investment decisions should not be based solely on such information.

Definitions

For definitions, see “Definitions and Abbreviations” beginning on page 3. In “Main Provisions of Articles of Association” beginning on page 412, defined terms have the meaning given to such terms in the Articles of Association. In “Statement of Tax Benefits” beginning on page 100, defined terms have the meaning given to such terms in the Statement of Tax Benefits. In “Financial Statements” beginning on page 194, defined terms have the meaning given to such terms in the Financial Statements.

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”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “seek to” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans, prospects or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated without expectations with respect to, but not limited to, regulatory changes pertaining to the industries in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our Company’s exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and other changes in its industry. Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- failure to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technologies and the industries we focus on;
- pricing pressure due to intense competition in the market for IT services;
- exchange rate fluctuations in the various currencies in which we do business;
- failure to predict our revenues, expenses and profitability due to significant fluctuation in relation thereto;
- dependence of our revenue to a large extent on a limited number of clients and concentration of our clients in certain industries and geographical regions; and
- failure to attract, retain and manage the transition of our management team and other skilled professionals.

For further discussion on factors that could cause the actual results to differ from the expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 19, 119 and 296, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholder, the BRLMs nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI Regulations, our Company and the BRLMs will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholder will ensure that investors are informed of material developments in relation to statements and undertakings made by the Selling Shareholder in the Red Herring Prospectus until the time of grant of listing and trading permission by the Stock Exchanges.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If any one or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to extensive regulatory environments that may differ significantly from one jurisdiction to another. In making an investment decision, prospective investors must rely on their own examinations of us on a consolidated basis and the terms of the Offer, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. For further details, see “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Result of Operations” beginning on pages 119 and 296, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see “Forward-Looking Statements” beginning on page 18.

In this section, unless the context otherwise requires, a reference to our “Company” or to “we”, “us” and “our” refers to Larsen & Toubro Infotech Limited and our Subsidiaries on a consolidated basis. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our consolidated Restated Financial Statements.

INTERNAL RISK FACTORS

Risks related to our Company and our industry

1. We, Group Companies, Directors and our Promoter are involved in certain legal and other proceedings.

Our Company, Group Companies, Directors, and our Promoter are currently involved in a number of legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters, action by regulatory/ statutory authorities against our Company, Group Companies, Directors and our Promoter have been set out below. In addition to the above we have disclosed the other outstanding matters involving our Promoter and Group Companies which exceed ₹ 2,500 million and other outstanding matters involving our Company, Directors which exceed ₹ 375 million.

Litigation against our Company

Nature of the cases	No. of cases outstanding	Amount involved (in ₹million)
Criminal matters	2	Not quantifiable
Direct tax matters	20	851.41
Indirect tax matters	30	408.25

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Action by regulatory/ statutory authorities	Nil	Nil
Other matters exceeding ₹ 375 million	Nil	Nil

Litigation against our Directors

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal matters	5	Not quantifiable
Direct tax matters	Nil	Nil
Indirect tax matters	Nil	Nil
Action by regulatory/ statutory authorities	3	Nil
Other matters exceeding ₹ 375 million	Nil	Nil

*Litigation against our Promoter**

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal matters	17	Not quantifiable
Direct tax matters	34	8,264.40
Indirect tax matters	393	33,511.08
Other matters exceeding ₹ 2,500 million	2	10,617.50

* For details regarding action by regulatory/ statutory authorities against our Promoter see “Outstanding Litigation and Material Developments- Litigation involving our Promoter- Litigation against our Promoter- Actions by regulatory/ statutory authorities” on page 325.

Litigation against our Group Companies

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal matters	24	Not quantifiable
Direct tax matters	61	1,456.25
Indirect tax matters	116	8,412.26
Action by regulatory/ statutory authorities	1	Nil
Other matters exceeding ₹ 2,500 million	2	13,711.50

The amounts indicated above (wherever quantifiable) are approximate amounts.

For further details, see “Outstanding Litigation and Material Developments” beginning on page 320.

Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against us, Group Companies, Directors and our Promoter, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

2. Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and the industries on which we focus.

The IT services market is characterised by rapid technological changes, evolving industry standards, changing client preferences, and new product and service introductions that could result in product obsolescence and short product

life cycles. Our future success will depend on our ability to anticipate these advances, enhance our existing offerings or develop new service offerings to meet client needs, in each case, in a timely manner. We may not be successful in anticipating or responding to these advances on a timely basis, or at all. If we do respond, the services or technologies we develop may not be successful in the marketplace. We may also be unsuccessful in stimulating customer demand for new and upgraded services, or seamlessly managing new service introductions or transitions. Our failure to address the demands of the rapidly evolving IT environment, particularly with respect to emerging technologies, and technological obsolescence, could have a material adverse effect on our business, results of operations and financial condition. In addition, our success also depends on our ability to proactively manage our portfolio of technology alliances.

Additionally, during the regular course of operating our business, we may adjust our future plans as a result of our research, experience, technology evolution and market demand. Accepting unforeseen business opportunities may also result in a business model change. We cannot guarantee that any adjustment in our future plans will become successful or be more successful than our current business model. A shift in our plans may result in the use of other technologies. Other technologies may in the future prove to be more efficient and/or economical to us than our current technologies. We cannot guarantee that any change in technology will become successful or be more successful than our current technology.

3. *Intense competition in the market for technology services could affect our pricing, which could reduce our share of business from clients and decrease our revenues and profitability.*

We operate in an intensely competitive industry that experiences rapid technological developments, changes in industry standards, and changes in customer requirements. Our competitors include large IT consulting firms, captive divisions of large multinational technology firms, large Indian IT services firms, in-house IT departments of large corporations, in addition to numerous smaller local competitors in the various geographic markets in which we operate.

The technology services industry is experiencing rapid changes that are affecting the competitive landscape. We may face competition from companies that increase in size or scope as the result of strategic mergers or acquisitions, which may result in larger competitors with significant resources that benefit from economies of scale and scope. These transactions may include consolidation activity among global technology majors, hardware manufacturers, software companies and vendors, and service providers. The result of any such vertical integration may be the greater integration of products and services and a larger portfolio of services on offer, in each case, relative to what was previously offered by such independent vendors. Our access to such products and services may be reduced as a result of such an industry trend and we may otherwise become disadvantaged relative to our potentially more circumscribed service portfolio.

Such events could have a variety of negative effects on our competitive position and our financial results, including reducing our revenue, increasing our costs, lowering our gross margin percentage, and requiring us to recognise impairments on our assets.

If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer services similar to ours at lower prices without adversely affecting their profit margins. Even if our offerings address industry and client needs, our competitors may be more successful at selling their services. If we are unable to provide our clients with superior services and solutions at competitive prices or successfully market those services to current and prospective clients, our business, results of operations and financial condition may suffer. In addition, some of our competitors have added offshore capabilities to their service offerings. These competitors may be able to offer their services using the offshore and onsite model more efficiently than we can through our global delivery model. For further details, see “Our Business – Global Delivery Model” from pages 133 to 134. Further, a client may choose to use its own internal resources rather than engage an outside firm to perform the types of services we provide. We cannot be certain that we will be able to sustain our current levels of profitability or growth in the face of competitive pressures, including competition for skilled technology professionals and pricing pressure from competitors employing an on-site/ offshore business model.

We may face competition in countries where we currently operate, as well as in countries in which we expect to expand our operations and may have limited or no experience. We also expect additional competition from technology services firms with current operations in other countries and regions, such as China, the Philippines,

Eastern Europe and Latin America, which have competitive cost structures. Many of our competitors have significantly greater financial, technical and marketing resources, generate greater revenues, have more extensive existing client relationships and technology partners and have greater international brand recognition than we do. We may be unable to compete successfully against these competitors, or may lose clients to these competitors. There is a risk that increased competition could put downward pressure on the prices we can charge for our services and on our operating margins. Additionally, we believe that our ability to compete also depends in part on factors outside of our control, such as the price at which our competitors offer comparable services, and the extent of our competitors' responsiveness to their clients' needs.

4. *Our revenues, expenses and profitability may be subject to significant fluctuation and hence may be difficult to predict. This increases the likelihood that our results of operations could fall below the expectations of investors and market analysts, which could cause the market price of the Equity Shares to decline.*

Our revenues, expenses and profitability are likely to vary significantly in the future from period to period. Factors which result in fluctuations in our revenues, expenses and profits include:

- the size, complexity, timing, pricing terms and profitability of significant contracts, as well as changes in the corporate decision-making processes of our clients;
- the business or financial condition of our clients or the economy generally, or any developments in the IT sector in macro-economic factors, which may affect the rate of growth in the use of technology in business, type of technology spending by our clients and the demand for our services;
- the high concentration of orders in a limited number of countries, particularly the United States and the concentration of orders in certain industries;
- the seasonal changes that may affect the mix of services we provide to our clients or the relative proportion of revenue;
- fluctuations in exchange rates;
- the effect of increased wage pressure in India and other countries in which we operate;
- the size and timing of our facilities' expansion;
- the proportion of projects that are performed at clients' sites compared to work performed at offshore facilities;
- our ability to expand sales to our existing customers and increase sales of our services to new customers, of whom some may be reluctant to change their current IT systems due to the high costs already incurred on implementing such systems and/or the potential disruption it would cause with personnel, processes and infrastructures; and
- our ability to forecast accurately our clients' demand patterns to ensure the availability of trained employees to satisfy such demand.

A significant portion of our total operating expenses, particularly expenses related to personnel and facilities, are fixed in advance of any period. As a result, unanticipated variations in the size and scope of projects, as well as unanticipated cancellations, contract terminations or the deferral of contracts or changes occurring as a result of our clients reorganising their operations, or unanticipated variations in the number and timing of projects or employee utilisation rates, or the accuracy of estimating resources required to complete ongoing projects, may cause significant variations in operating results in any particular period. In addition, demands for higher compensation could lead to employee disputes and, potentially, work stoppages or slowdowns.

As a result, unanticipated variations to our projects in the manner and with the effects as mentioned above may cause significant variations in our results of operations in any particular quarter. Our pricing remains competitive and clients remain focused on cost reduction and capital conservation and cost management limitations may not be sufficient to negate pressure on pricing and utilisation rates. We may not be able to sustain our historical levels of profitability.

Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indications of future performance. It is indeed possible that in the future some of our periodic results of operations may be below the expectations of investors and market analysts, and the market price of the Equity Shares could decline.

5. *Exchange rate fluctuations in various currencies in which we do business could negatively impact our business, financial condition and results of operations.*

Although our reporting currency is in Rupees, we transact a significant portion of our business in several other currencies, primarily USD and Euro. Approximately 95.8% and 95.3% of our revenue from operations in Financial Year 2015 and Financial Year 2014, respectively, were derived from sales outside of India. However, a large portion of our costs are in Rupee. The exchange rate between the Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Any significant appreciation of the Rupee against foreign currencies in which we do business can fundamentally affect our competitiveness in the long-term. As our financial statements are presented in Rupees, such fluctuations could have a material impact on our reported results. Our clients generally demand that all risks associated with such fluctuations are borne by us.

We undertake hedging strategies to mitigate exchange rate risk relating to our foreign currency exposure. As of March 31, 2015, we had outstanding forward contracts with notional amount of ₹ 58,584 million and outstanding unhedged foreign currency receivables, including firm commitments and highly probable forecast transactions, of ₹ 30,013 million, and outstanding unhedged foreign currency payables, including firm commitments and highly probable forecast transactions, of ₹ 24,475 million. We have incurred indebtedness in currencies other than in Rupee in the form of external commercial borrowings and may incur further such indebtedness in the future, which creates foreign currency exposure in respect of our cash flows and ability to service such debt. As mentioned above, the exchange rate between the Rupees and foreign currencies has fluctuated significantly in recent years and is likely to continue fluctuating in the future. If the value of the Rupee declines, the size of our debt and interest expenses in currencies other than Rupees may increase. This will adversely impact our net income. We also experience other market risks, including changes in the interest rates related to our borrowings. We use derivative financial instruments to reduce or mitigate these risks where possible. However, if our strategies to reduce market risks (including through the use of derivative instruments) are not successful, our business, financial condition and results of operations may be harmed.

6. *Our revenues are highly dependent on clients primarily located in North America and Europe, as well as on clients concentrated in certain industries, notably banking and financial services, insurance, energy and process, and consumer packaged goods, retail and pharmaceuticals; therefore, an economic slowdown or factors that affect the economic health of North America, Europe or these industries could adversely affect our business, financial condition and results of operations.*

In Financial Year 2015, 68.6% and 17.9% of our revenue from continuing operations were derived from our North America and Europe segments, respectively. If the economy in North America or Europe is or becomes volatile or uncertain or conditions in the global financial market were to deteriorate, if there are any changes in laws applicable to us, or if any restrictive conditions are imposed on us or our business, or if the values of the currencies in which we do business decline, pricing of our services may become less favourable for us and our clients located in these geographies may reduce or postpone their technology spending significantly. Reduced spending on IT services may lower the demand for our services and negatively affect our revenues and profitability.

Further, we are exposed to certain risks due to concentration of clients in certain key industries, notably banking and financial services, insurance, energy and process, and consumer packaged goods, retail and pharmaceuticals, which represented 27.1%, 20.0%, 16.2% and 9.3%, respectively, of our revenue from continuing operations in Financial Year 2015. Any significant decrease in the revenues or revenue growth of any one of these industries, or widespread changes in any such industry, may reduce or alter the demand for our services and adversely affect our revenue and profitability. Further, any significant consolidation within the industries in which our clients operate may consequently affect our clients' ability in that industry to continue using our services.

7. *Challenges in relation to immigration may affect our ability to compete for, and provide services to, clients in the United States and/or other countries, partly because we may be required to hire locals instead of using our existing work force, which could result in lower profit margins, delays in, or losses of, client engagements and otherwise adversely affect our ability to meet our growth, revenue and profit projections. We cannot assure you that we will not be subject to penalties in relation to employment visa violations in the future.*

Our employees who work onsite at client facilities or at our facilities in the United States on temporary or

extended assignments typically must obtain visas. If United States immigration laws change and make it more difficult for us to obtain non-immigrant visas (i.e., H-1B and L-1 visas) for our employees, our ability to compete for and provide services to our clients in the United States could be impaired. In response to past terrorist attacks in the United States, the USCIS and the U.S. Department of State have increased their level of scrutiny in reviewing visa applications and work petitions and have decreased the number of such visas granted. Immigration laws in the United States and in other countries are subject to legislative changes, as well as to variations in the standards of application and enforcement due to political forces and economic conditions. It is difficult to predict the political and economic events that could affect immigration laws, or the restrictive impact they could have on obtaining or reviewing work visas for our technology professionals, despite the fact that there may be ongoing shortages of such professionals in some of the countries in which we do business.

The United States is currently considering further restrictive immigration reforms, which may have a substantial impact on our business model and practices, costs, hiring practices or capacity to complete client projects and which may result in an increase in the cost of us doing business in the United States as a result of having to recruit more local United States employees or paying higher wages to deputed personnel. We cannot be certain that we will continue to be able to obtain any or a sufficient number of H-1B and L-1 visas for our employees on the same timeframe as we currently maintain.

Besides the United States, immigration laws in other countries in which we seek to obtain visas or work permits may require us to meet certain other legal requirements as conditions to obtaining or maintaining entry visas, such as maintaining a defined ratio of local to foreign employees. The inability of project personnel to obtain necessary visas or work permits could delay or prevent our fulfilment of client projects, which could hamper our growth and cause our revenue and/or profits to decline.

Similarly, certain countries and organisations have expressed concerns about a perceived connection between outsourcing to offshore locations and the loss of jobs domestically. With high domestic unemployment levels in many countries and increasing political and media attention on the outsourcing of services internationally by domestic corporations, there have been concerted efforts in many countries to enact new laws to restrict offshore outsourcing or impose restrictions on companies that outsource. For example, periodically, restrictive outsourcing legislation has been considered by federal and state authorities in the United States. In the event that any of these measures become law, our ability to do business in these jurisdictions could be adversely impacted, which, in turn, could adversely affect our revenues and profitability. Moreover, from time to time, negative experiences associated with offshore outsourcing, such as theft and misappropriation of sensitive client data, have been publicised, including reports involving service providers based in India. Our current or prospective clients may elect to perform certain services themselves or may be discouraged from transferring services from onshore to offshore service providers to avoid harmful publicity or any negative perceptions that may be associated with using an offshore service provider. Any slowdown or reversal of existing industry trends towards offshore outsourcing would seriously harm our ability to compete effectively with competitors that provide services from within the countries in which our clients operate.

To the extent we experience delays due to immigration restrictions, we may encounter client dissatisfaction, project and staffing delays in new and existing engagements, project cancellations, project losses, higher project costs and loss of revenue, resulting in decreases in profits and a material adverse effect on our business, results of operations, financial condition and cash flows. Due to these immigration delays, we may also need to perform more work onsite, or hire more resources locally, thus reducing our gross margins and overall profitability.

In the past, we have been subject to penalties in relation to employment visa violations. While we aim to comply with applicable law and have established procedures in relation thereto, including in relation to employment visa compliance, given the nature of our business, we cannot assure you that we will not be subject to such penalties in the future, which could adversely affect our business, financial condition and results of operations.

- 8. *Our pricing structures do not accurately anticipate the cost and complexity of performing our work and if we are unable to manage costs successfully, then certain of our contracts could be or become unprofitable.***

We negotiate pricing terms with our clients utilising a range of pricing structures and conditions. Depending on the particular contract, we may use time-and-materials pricing, pursuant to which we typically invoice on a monthly basis for the services that we provide to our client. We also enter into fixed-price arrangements, pursuant to which we provide a defined scope of work over a fixed timeline for a capped fee. In certain instances, we enter into time-and-materials pricing arrangements, but with the inclusion of fixed-price elements for certain specified services. In Financial Year 2015, 59.7% and 40.3% of our service revenue from continuing operations were on a time-and-materials and fixed-price basis, respectively.

Our ability to improve or maintain our profitability is dependent on managing our costs successfully. Our cost management strategies include maintaining appropriate alignment between the demand for our services and our resource capacity, optimising the costs of service delivery through business process digitalisation and deployment of tools, and effectively leveraging our sales and marketing and general and administrative costs. We also have to manage additional costs to replace solutions or services in the event our clients are not satisfied in relation thereto and believe we have failed to properly understand their needs and develop solutions accordingly. Our pricing structure is highly dependent on our internal forecasts and predictions about our projects and the potential demand for our projects and services by our clients, which might be based on limited data and could be inaccurate. Although we use our specified software engineering processes and rely on our past project experience to reduce the risks associated with estimating, planning and performing fixed-price projects, we bear the risks of cost overruns, completion delays and wage inflation in connection with these projects. We have taken actions to reduce certain costs, including increasing productivity from fixed costs such as better utilisation of existing facilities, investing in business process digitalisation and relocating non-client-facing employees to lower-cost locations. There is no guarantee that these, or other cost-management efforts, will be successful, that our efficiency will be enhanced, or that we will achieve desired levels of profitability.

If we do not accurately estimate the resources required, costs and timing for completing projects, future rates of wage inflation and currency exchange rates, or if we fail to complete our contractual obligations within the contracted timeframe, our contracts could prove unprofitable for us or yield lower profit margins than anticipated. There is a risk that we will underprice our contracts, fail to accurately estimate the costs of performing the work or fail to accurately assess the risks associated with potential contracts. In particular, any increased or unexpected costs, or wide fluctuations compared to our original estimates or delays, or unexpected risks we encounter in connection with the performance of this work, including those caused by factors outside of our control, could make these contracts less profitable or unprofitable, which could adversely impact our profit margin.

9. *Some of our client contracts contain benchmarking and most favoured customer provisions which, if triggered, could result in lower contractual revenues and profitability in the future.*

Some of our client contracts contain benchmarking and most favoured customer provisions. The benchmarking provisions allow a customer in certain circumstances to request a study prepared by an agreed-upon third party, typically an industry expert, comparing our pricing, performance and efficiency gains for delivered contract services against the comparable services of an agreed-upon list of other service providers. Based on the results of the benchmark study and depending on the reasons for any unfavourable variance, we may be required to reduce our pricing for future services or to improve the quality of services to be performed for the remainder of the contract term or impose higher service levels, which could have an adverse impact on our revenues and results. Most favoured customer provisions require us to give existing customers updated terms in the event that we enter into more competitive agreements with certain other customers for similar services, which limits our ability to freely enter into agreements and could have an adverse impact on our revenues and results.

10. *Our Company has amended the ESOP Scheme 2000 and changed the vesting schedule and exercise period of options and has exercised discretion with respect to the vesting of certain deferred options; any of these actions may result in claims under the Existing Employee Stock Option Plans that may adversely impact our reputation, business, financial condition and results of operations.*

In terms of the ESOP Scheme, 2000, the granting and vesting of options to employees is not automatic but at the discretion of the management of our Company. Further, the ESOP Scheme, 2000 also allowed our Company to decide the vesting and subsequent exercise dates for the options granted thereunder. Our Company has amended the ESOP Scheme, 2000, from time to time to, *inter-alia*, defer the vesting of options granted under the ESOP Scheme, 2000 until the date of the IPO and provided that our Company can fix the first exercise date prior to the date of its

initial public offering. For further details on our employee stock option plans, see “Capital Structure” beginning on page 81.

Certain of our former employees have raised queries in relation to the vesting and exercise of options, eligibility letters, grant letters and intimation about amendments made to the ESOP Scheme, 2000. Further, one of our former employees has raised a claim for vesting and exercise of certain number of options and another former employee has issued a legal notice for certain claims in relation to options granted to him. Our Company is addressing these claims and notices and there can be no assurance that these will be satisfactorily resolved. For further details, see “Outstanding Litigation and Material Development” beginning on page 320. In the event that former or current employees raise any further queries, issue notices, make claims or initiate litigation in relation to any matter pertaining to the Existing Employee Stock Option Plans, our Company may have to spend management time and incur costs in addressing these queries, notices, claims and litigation.

As of the date of the Draft Red Herring Prospectus, no equity shares have been issued by our Company pursuant to the Existing Employee Stock Option Plans. Pursuant to the terms of the Existing Employee Stock Option Plans, our Company has determined September 28, 2015 as the First Exercise Date and will issue letters to its eligible employees for the exercise of options within two months from the effective date of each letter.

In terms of the ESOP Scheme, 2000, upon resignation, the employee will be allowed to exercise only options vested prior to his or her resignation. Accordingly, our Company has lapsed unvested options with the employees who have resigned from our Company. For the purposes of vesting and exercise of deferred options by former employees in one jurisdiction, based on legal advice our Company has exercised its discretion in determining that the former employees in this jurisdiction will be allowed to exercise their deferred options and accordingly, our Company has re-instated options exercisable by such former employees. However, with respect to former employees in other jurisdictions, our Company has exercised its discretion to not to issue deferred options to the former employees in such jurisdictions. These former employees may raise any queries, issue notices, make claims or initiate litigation and our Company may have to spend management time and incur costs in addressing these queries, notices, claims and litigation.

Additionally, the option holders, who are allowed to exercise the options, may not have sufficient financial resources to pay the grant price for the exercise of options. There could also be significant tax, levies and other financial obligations on the option holders upon the exercise of options and the employees may face difficulties in exercising the options. There could also be tax related obligations on our Company relating to withholding tax and other claims and levies outside India including any tax liabilities which are not paid by the option holders on account of deferment or any claims in this regard. Further, whilst we have maintained records of our former employees, there is no assurance that we will be able to locate all our eligible former employees and options will be exercised within the specified time period. In such cases, we may be required to explore alternate options to ensure that the interests of such former employees are protected and they are able to exercise their options when they approach our Company.

Pursuant to the Existing Employee Stock Option Plans, our Company has granted options to its employees in India and other jurisdictions between April 2001 and April 2010. As of the date of the Draft Red Herring Prospectus, our Company had, on a post-split basis, 5,220,910 options vested and outstanding to a total of 466 former employees and 3,913,894 options vested and outstanding to a total of 265 present employees. Our Company is required to comply with applicable laws and regulations in various jurisdictions in the world where its present and former employees are located (including India and the U.S) in relation to the stock option plans and the grant, vesting and issue of stock options and equity shares, including complying with private placement, foreign exchange, employment and taxation laws and regulations. There can be no assurance that our Company has been and will be able to comply with the applicable laws and regulations (including any filing, registration, notice and other compliance requirement) of these jurisdictions. Our Company obtained shareholders’ approval under the Companies Act, 1956 for the issue and allotment of equity shares under the Existing Employee Stock Option Plans. The Companies Act, 2013 has become effective after the grants were made and before issue and allotment of Equity Shares to our former and current employees. The regulatory authorities may take the view that Sections 42 and 62 of the Companies Act, 2013 are applicable to the allotment of Equity Shares pursuant to exercise of options and impose penalties or take other adverse action against our Company in the future.

Any of the above issues and any other issues under our stock options plans may divert management time, cause us to

incur costs and adversely affect our reputation, business, financial condition and results of operations.

11. *Our revenue depends to a large extent on a limited number of clients, and our revenue could decline if we lose a major client.*

We currently derive a significant portion of our revenue from a limited number of corporate clients. The loss of a major client or a significant reduction in the services performed for a major client could result in a significant reduction of our revenue. Significant pricing or margin pressure exerted by our large clients would also adversely affect our business, financial condition and results of operations. Our largest client accounted for 14.1%, 13.1% and 16.3%, of our revenue from continuing operations in Financial Years 2015, 2014 and 2013, respectively. Our ten largest IT services clients accounted for approximately 50.5%, 47.5% and 48.5% of our revenue from continuing operations in Financial Year 2015, 2014 and 2013, respectively. The volume of work we perform for specific clients may vary from year to year, particularly since we typically are not the exclusive external IT service provider for these clients. Thus, any major client during one year may not provide the same level of revenue in a subsequent year. Our large clients may terminate their work orders with us, with or without cause, and with or without notice, at any time, and our other major clients may terminate their contracts with us at their discretion, with notice. If any one or more of our work orders or client contracts are terminated, our revenue and profitability could be materially and adversely affected.

There are a number of factors, other than our service performance, that could cause the loss of a client, such as a reduction in our clients' IT budgets due to macroeconomic factors or otherwise, shifts in corporate priorities and political or economic factors or changes in their outsourcing strategies such as moving to client in-house IT departments. There is significant competition for the services we provide and we are typically not an exclusive service provider to our large clients. Further, our client agreements do not provide for any minimum purchase requirements from our major clients while a given client may view our profit margins as high and demand a reduction in pricing terms. These factors may not be predictable or under our control. If we were to lose one of our major clients or have a significantly lower volume of business from them, our revenue and profitability could be reduced. We cannot assure you that our large clients will not terminate their arrangements with us or significantly change, reduce or delay the amount of services ordered from us, any of which would reduce our revenues.

12. *Wage increases in India may diminish our competitive advantage against companies located in the United States and Europe and may reduce our profit margins.*

Our wage costs in India have historically been lower than wage costs in the United States and Europe for comparably skilled employees, and this has been one of our competitive advantages. However, wage increases in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. We may need to increase the levels of our employee compensation more rapidly than in the past to retain talent. Unless we are able to continue to increase the efficiency and productivity of our employees over the long term, wage increases may reduce our profit margins. Furthermore, increases in the proportion of employees with less experience, or sources of talent from other low cost locations could also negatively affect our profits.

13. *Our profitability could suffer if we are not able to maintain favourable employee utilisation.*

Our profitability and the cost of providing our services are affected by the utilisation of our employees. We define utilisation as an individual's full time equivalent hours divided by total billable full time employment hours, with such total billable hours being in respect of a given project. In Financial Year 2015, 2014 and 2013, the utilisation of our employees (excluding trainees) was 75.8%, 73.6% and 71.9%, respectively. If we are not able to maintain high employee utilisation, our profit margin and profitability may suffer. Our utilisation rates are affected by a number of factors, including:

- loss or reduction of business from clients;
- our ability to transition employees from completed projects to new assignments and to hire and integrate new employees;
- maintaining effective oversight over personnel and offices;
- our ability to forecast demand for our services and thereby maintain an appropriate headcount in each of our geographies and workforces;
- our ability to obtain visas for employees on time, or at all;

- our ability to manage attrition; and
- our need to devote time and resources to training, professional development and other non-chargeable activities.

Our revenue could also suffer if we misjudge demand patterns and do not recruit sufficient employees to satisfy demand. Employee shortages could prevent us from completing our contractual commitments in a timely manner and potentially cause us to pay penalties or lose contracts or clients.

14. *Our success depends in large part upon the strength of our management team and other highly skilled professionals. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline.*

The continued efforts of the senior members of our management team and other highly skilled professionals are critical to our success. Our ability to execute project engagements and to obtain new clients depends in large part on our ability to attract, train, motivate and retain highly skilled professionals, especially senior management personnel, senior technical personnel, project managers and software engineers.

The attrition rates of our employees globally for Financial Years 2015, 2014 and 2013 were 19.5%, 13.2% and 12.3%, respectively. If we cannot hire and retain additional qualified personnel, our ability to bid on and obtain new projects and to continue to expand our business will be impaired and our revenue could decline. We believe that there is significant competition within our industry for professionals with the skills necessary to perform the services we offer, particularly in the locations in which we have operations. We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Increasing competition for technology professionals may also impact our ability to retain personnel. Changes in government policies may also affect our ability to attract, hire and retain personnel. Additionally, we may not be able to reassign or train our employees to keep pace with continuing changes in technology, evolving standards and changing client preferences. Furthermore, our ability to attract and retain highly skilled professionals is dependent on the compensation we offer them. If we are unable to offer them higher compensation, we may be unable to attract or retain them. Our business, financial condition and results of operations could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

15. *Any inability to manage our growth could disrupt our business and reduce our profitability.*

Our business has grown over the years as has the number of employees that we employ. We expect such growth to continue and that it will place significant demands on our management team and other resources. This will require us to continue to develop and improve our administrative, operational, financial, systems and other internal controls. As a result of our growing operations, we face and expect to continue to face challenges such as:

- maintaining an effective internal control system and properly training employees to mitigate the risk of individuals engaging in unlawful or fraudulent activity or otherwise exposing us to unacceptable business risks;
- adhering to and further improving our service standards;
- maintaining high levels of client satisfaction;
- successfully expanding the range of services offered to our clients;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems, including data management in our IT applications and management information systems;
- our significant investments in recent years and going forward to keep pace with technological changes, i.e., digital solutions, achieving delayed or lower than expected benefits;
- preserving our culture, values and entrepreneurial environment;
- assimilating and integrating disparate IT systems, personnel and employment practices, and operations of acquired companies (if any);
- recruiting, training and retaining sufficient skilled technical, marketing and management personnel;
- loss of our current market share as a result of low barriers of entry in the IT industry, which may result in increased competition from entities that are able to offer cheaper and as such, potentially more attractive services;

- managing our procurement, supply chain and vendor management processes;
- co-activating work among off-shore and on-site and project teams and maintaining high resource utilisation rates; and
- integration of any acquisition made by us.

Moreover, the costs involved in entering and establishing ourselves in new and emerging markets, and expanding such operations, may be higher than expected and we may face significant competition in these regions. We may also face additional risks in setting up operations in new and emerging markets in which we have no prior operating history or have no experience of conducting business.

Emerging markets, including Africa, Eastern Europe and the Middle East, are subject to greater risks than more developed markets. The Middle East region is experiencing ongoing instability, which has affected our growth therein. The political, economic and market conditions in many emerging markets present risks that could make it more difficult to operate our business successfully and expand into emerging markets. These risks include:

- political, social and economic instability, including wars, acts of terrorism, guerilla activities, insurrection, political unrest, boycotts, sanctions and business restrictions;
- the macroeconomic climate, including high rates of inflation;
- any downgrading of the sovereign debt ratings of the countries in which we operate by an international rating agency;
- foreign exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- nationalisation or other expropriation of private enterprises and land;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- a lack of well-developed legal systems which could make it difficult for us to enforce our contractual rights and an inability to obtain, maintain or enforce intellectual property rights;
- logistical and communications challenges;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis;
- difficulties in staffing (including attracting and retaining qualified technical and other personnel), managing operations and ensuring the safety of our employees;
- greater risk of uncollectable accounts and longer collection cycles;
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so; and
- introduction or changes to indigenisation and empowerment programmes.

Our inability to manage our expansion and related growth in these new and emerging markets or regions may have an adverse effect on our business, results of operations and financial condition.

16. *We may face difficulties in providing end-to-end business solutions for our clients that could cause clients to discontinue their work with us, which, in turn, could adversely impact our business, financial condition and results of operations. We may also be required to pay damages for deficient services or for violating intellectual property rights.*

As we have increased the breadth of our service offerings, we have engaged in larger and more complex projects with our clients. This requires us to establish closer relationships with our clients, develop a thorough understanding of their operations, and take higher commercial risks in our contracts with such clients, including penalty clauses in our agreements and larger upfront investments. Our ability to establish such relationships will depend on a number of factors, including the proficiency of our IT professionals and our management personnel. Our failure to understand and successfully implement our clients' requirements, the domain and country-specific laws and regulations which govern the services that we provide, or our failure to deliver services which meet the requirements specified by our clients, could result in termination of client contracts, reputational harm and/or imposition of

penalties or the payment of damages pursuant to litigation against us for deficient services. We may also be subject to damages for violating or misusing our clients' intellectual property rights or for breaches of third-party intellectual property rights or confidential information in connection with services to our clients. Furthermore, our contracts often contain provisions pursuant to which we indemnify our clients for such third-party breaches of intellectual property pursuant to our contracts. Our inability to provide services at contractually-agreed service levels or inability to prevent violation or misuse of the intellectual property of our clients or that of third parties could cause significant damage to our reputation and adversely affect our business, financial condition and results of operations. Additionally, all of our contracts with our major clients are governed by foreign laws. Consequently, we may incur higher costs of litigation in relation to such contracts. Further, we may incur additional costs in remedying any deficient service that we may provide (if any). Additionally, we may experience financial losses in contracts which are based on assumptions which are not realised. We may also be subject to loss of clients due to dependence on alliance partners, subcontractors or third party vendors.

Many of our contracts also require us to indemnify the clients if the services levels set out in the contracts are not met or maintained. Third-party providers of software that we license may subject us to claims or litigation to seek damages for violating their licenses and intellectual property rights which could require us to pay damages, enter into expensive license arrangements or modify our products and services. We may also face litigation or incur additional fees and be required to pay damages for violating contractual terms, misuse or excessive use of our license to intellectual property rights, which could cause significant damage to our reputation and adversely affect our business, financial condition and results of operations.

Larger projects may involve multiple engagements, stakeholders, components or stages, and there is a risk that a client may choose not to retain us for subsequent stages or may cancel or delay subsequent planned engagements. Dissatisfied clients might seek to terminate existing contracts prior to the completion of the services or relationship. This may further damage our business by affecting our ability to compete for new contracts with current and prospective clients. We may also experience terminations, cancellations or delays as a result of the business or financial condition of our clients or the economy generally, as opposed to factors related to the quality of our services. Such cancellations or delays make it difficult to plan for project resource requirements and inaccuracies in such resource planning may have a negative impact on our business, financial condition and results of operations. In addition, such projects may involve multiple parties in the delivery of services and require greater project management efforts, which may increase our costs and adversely affect our results of operations.

17. *If we are unable to collect our dues and receivables from, or invoice our unbilled services to, our clients, our results of operations and cash flows could be adversely affected.*

Our business depends on our ability to successfully obtain payment from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. We maintain provisions against receivables and unbilled services. Actual losses on client balances could differ from those that we currently anticipate and as a result we might need to adjust our provisions. There is no guarantee that we will accurately assess the creditworthiness of our clients. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of fees for client services also depends on our ability to complete our contractual commitments and subsequently bill for and collect our contractual service fees. If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected.

18. *If there is a change in tax regulations, our tax liabilities may increase and thus adversely affect our financial position and results of operations. We would indeed realise lower tax benefits if the special tax holiday scheme for units set up in special economic zones is substantially modified.*

Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, value added tax, income tax, service tax and other taxes, duties, surcharges and cess introduced from time to time. The central and state tax scheme in India is extensive and subject to change from time to time.

Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability. Currently, we claim certain tax benefits under the Income Tax Act, relating to various business activities, which decrease our overall effective tax rates. There can be no assurance that these tax incentives will continue to be available to us in the future. The non-availability of these tax incentives could adversely affect our financial condition and results of operations.

Currently, we qualify for a deduction from taxable income on profits attributable to our status as an exporter from SEZs or from the operation of units located in SEZs. The tax deduction for the export of software development services from SEZs is available for 15 years, commencing from the year in which the SEZ commences its operations. The tax deduction for a unit in a SEZ is equal to 100% of profits from the export of services for the first five years from the commencement of operations in the SEZ, and thereafter is equal to 50% of profits from the export of services for a subsequent period of five years, and 50% for the remaining five years subject to meeting specified re-investment conditions and earmarking of specified reserves in the last five years. These tax benefits will not be available if our operations are no longer located in a SEZ, or if we fail to comply with the conditions specified under the SEZ Rules, 2006 or the Income Tax Act. As per the SEZ Rules, 2006, SEZ units are required to generate positive net foreign exchange within five years of the commencement of our operations in the SEZ. If we fail to generate positive net foreign exchange within five years, or thereafter fail to maintain it, we will be subject to penalties under the Indian Foreign Trade (Development and Regulation) Act, 1992 or the Indian Foreign Trade Act, 1992. The maximum penalty that may be imposed is equal to five times the gross value of the goods and services that we purchase with duty exemptions. We are subject to a MAT at a fixed rate as prescribed from time-to-time on our net profits as adjusted by certain prescribed adjustments. Where any tax is paid under MAT, such tax will be eligible for adjustment against regular income tax liability computed under the Income Tax Act, for the following ten years as MAT credit. We cannot assure you that the Indian central government will continue these special tax exemptions or that we will continue to qualify for such tax benefits and other incentives. If we no longer receive these tax benefits and other incentives, or if the MAT rate of taxation is increased, our financial results may be adversely affected.

The Government has proposed two major reforms in Indian tax laws, namely the goods and services tax, and provisions relating to GAAR. As regards the implementation of the goods and service tax, the Government has proposed that it will be applicable on or after April 1, 2016. The goods and services tax would replace the indirect taxes on goods and services, such as central excise duty, service tax, customs duty (excluding basic customs duty), central sales tax, state VAT, entertainment tax, luxury tax, purchase tax and surcharge currently being collected by the central and state governments. As regards GAAR, the provisions have been introduced in the Finance Act, 2012 and will apply (as per the Finance Act, 2015) in respect of any assessment year beginning on or after April 1, 2018. The GAAR provisions intend to catch arrangements declared as “impermissible avoidance arrangements”, which includes any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty. As the taxation system is intended to undergo significant overhaul, its consequent effects on our Company cannot be determined at present and there can be no assurance that such effects would not adversely affect our Company’s business and future financial performance.

19. Any increase in or realisation of our contingent liabilities could adversely affect our financial condition.

As of March 31, 2015, our Restated Financial Statements disclosed and reflected the following contingent liabilities:

Particulars	Amount (in ₹ million)
Income tax liability that may arise in respect of our Company, which is currently subject to an appeal.....	1,167.47
Corporate guarantee given on behalf of our Subsidiaries	5,395.70
Service tax refund disallowed, in respect of which our Company is in the process of filing an appeal.....	4.52
Sales tax liability, in respect of which our Company is in appeal.....	1.28

Legal notice served by a vendor for unpaid dues, disputed by our Company	0.02
Total.....	6,568.99

For further details of certain matters which comprise our contingent liabilities, see “Financial Statements” beginning on page 194.

If at any time we are compelled to realise all or a material proportion of these contingent liabilities, it would have a material and adverse effect on our business, financial condition and results of operations.

20. *Our business is based on the trust and confidence of our customers and any damage to that trust and confidence whether in relation to our personnel or our brand may materially and adversely affect our business, future financial performance and results of operations.*

We are dedicated to earning and maintaining the trust and confidence of our customers, and we believe that the good reputation created thereby, and inherent in the “Larsen & Toubro” or the “L&T” brand name, is essential to our business. As such, any damage to our reputation, or that of the “Larsen & Toubro” or the “L&T” brand name, could substantially impair our ability to maintain or grow our business. In addition, any action on the part of any of the companies in the L&T group that negatively impacts the “Larsen & Toubro” or the “L&T” brand could have a material adverse effect on our business, financial condition and results of operations. In the past, fraudsters have sent out invites for recruitment for our Company and have collected money from applicants. Such incidents of fraud may harm our reputation and could materially and adversely affect our business and reputation. For further details, see “Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed by our Company – Criminal matters” on page 322.

21. *Adverse changes to our relationships with key alliance partners could adversely affect our revenues and results of operations.*

We have alliances with companies whose capabilities complement our own. A significant portion of our service offerings are based on technology or software provided by our alliance partners. The priorities and objectives of our alliance partners may differ from ours. As most of our alliance relationships are non-exclusive, our alliance partners are not prohibited from competing with us or aligning more closely with our competitors. In addition, our alliance partners could experience reduced demand for their technology or software, including in response to changes in technology, which could lessen related demand for our services. If we do not obtain the expected benefits from our alliance relationships for any reason, we may be less competitive, our ability to offer attractive service offerings to our clients may be negatively affected, and our revenues and results of operations could be adversely affected.

22. *We may be liable to our clients for damages caused by system failures, disclosure of confidential information or data security breaches, which could harm our reputation and cause us to lose clients.*

Many of our contracts involve projects that are critical to the operations of our clients’ businesses and provide benefits to our clients that may be difficult to quantify. Any failure in a client’s system could result in a claim for substantial damages against us, regardless of our responsibility for such failure. In addition, we often have access to, or are required to collect and store, confidential client data. We face a number of threats to our data centres and networks such as unauthorised access, security breaches and other system disruptions. It is critical to our business that our infrastructure remains secure and is perceived by customers to be secure.

We seek to rely on encryption and authentication technology licensed from third parties to provide the security and authentication necessary to effect secure online transmission of confidential client information. Despite our security measures, advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may result in a compromise or breach of the algorithms that we use to protect sensitive customer transaction data. Breaches of our security measures or the accidental loss, inadvertent disclosure or unapproved dissemination of confidential customer data could expose us, our customers or the individuals affected to a risk of loss or misuse of this information, or cause interruptions in our operations. We may be required to expend significant capital and other resources to protect against such security breaches, to alleviate problems caused by or to investigate such breaches, all of which could subject us to liability, damage our reputation and diminish the value of our brand name.

Although we attempt to limit our contractual liability for consequential damages in rendering our services, many of our client agreements do not limit our potential liability for breaches of confidentiality and we cannot be assured that such limitations on liability will be enforceable in all cases, or that they will otherwise protect us from liability for damages. Moreover, if any person, including any of our employees or former employees or subcontractors, penetrates our network security or misappropriates sensitive data, we could be subject to significant liability from our clients or from our clients' customers for breaching contractual confidentiality provisions or privacy laws. Unauthorised disclosure of sensitive or confidential client and customer data, whether through breach of our computer systems, systems failure, loss or theft of assets containing confidential information or otherwise, could render us liable to our clients for damages, damage our reputation and cause us to lose clients.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes to our insurance policies, including premium increases or the imposition of a large deductible or co-insurance requirement, could adversely affect our revenues and results of operations. We may also be liable to our clients for damages or termination of contract if we are unable to address disruption in services to them with adequate business continuity plans and/or for non-compliance with our clients' information security policies and procedures.

23. *Disruptions in telecommunications could harm our service model, which could result in a reduction of our revenue.*

A significant element of our business strategy is to continue to leverage and expand our onshore and offshore Delivery Centres. We believe that the use of a strategically located network of Delivery Centres provides us with cost advantages, the ability to attract highly skilled personnel from various regions of India and the world, the ability to service clients on a regional and global basis and the ability to provide services to our clients 24 hours a day, seven days a week. Part of our service model is to maintain active voice and data communications between our main office in Mumbai, our clients' offices, and our software development and support facilities. Although we maintain redundancy facilities and leased lines, any significant loss in our ability to transmit voice and data through leased lines and telephone communications due to, among others, human errors, natural disasters, failure of third party service providers in ensuring hardware and software are compliant, could result in a disruption in business, thereby hindering our performance or our ability to complete client projects on time. This, in turn, could lead to a material adverse effect on our business results of operations or financial condition.

24. *We may engage in acquisitions that may not be successful or meet our expectations.*

We have acquired and in the future may acquire or make investments in complementary businesses, technologies, services or products, or enter into strategic partnerships or joint ventures with parties that we believe can provide access to new markets, capabilities or assets. The acquisition and integration of new businesses subjects us to many risks and we can provide no assurances that any such acquisition will be successful or meet our expectations. If it does not, we may suffer losses, dilute value to shareholders, may not be able to take advantage of appropriate investment opportunities or complete transactions on terms commercially acceptable to us. Our management may also need to divert their attention in integrating such new businesses, which may affect the quality of operational standards and our ability to retain businesses of our existing clients. We could also have difficulty in integrating the acquired products, services, solutions or technologies into our operations. Any business that we acquire may also have unidentified liabilities, that may be transferred to us upon such acquisition. We may face litigation or other claims arising out of our acquisitions, including disputes with regard to earn-outs or other closing adjustments. These difficulties could disrupt our ongoing business, distract our management and employees, and increase our expenses. Changes in competition laws in India and abroad could also impact our acquisition plans by prohibiting potential transactions which could otherwise be beneficial for us.

Despite our due diligence process, we may fail to discover significant issues around a target company's intellectual property, service offerings, customer relationships, employee matters, accounting practices or regulatory compliances. We may also fail to discover liabilities that are not properly disclosed to us or we may inadequately assess in our due diligence efforts liabilities that may arise out of regulatory non-compliance, contractual obligations or breaches. We cannot predict or guarantee that our efforts will be effective or will protect us from liability. If we are unable to obtain indemnification protection or other contractual protections or relief for any material liabilities associated with our acquisitions or investments, our business, financial condition and results of operations could be harmed.

Further, if we were to acquire non-controlling investments in companies, these may include investments in non-marketable securities of early stage companies that carry a significant degree of risk and may not become liquid for several years from the date of investment. These investments may not generate financial returns or may not yield the desired business outcome. The success of our investment in a company is sometimes dependent on the availability of additional funding on favourable terms or a liquidity event such as an initial public offering. We may record impairment charges in relation to our strategic investments which will have a negative impact on our business, financial condition and results of operations.

Further, the amount of goodwill and intangible assets in our Restated Financial Statements has increased significantly in recent years, primarily on account of acquisitions. Goodwill as well as acquisition-related intangibles are subject to periodic impairment review at least annually. Impairment testing may lead to impairment charges in the future. Any significant impairment charges could have a material adverse effect on our business, financial condition and results of operations.

25. *Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.*

Since we provide services to clients throughout the world, we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, content requirements, trade restrictions, the environment (including electronic waste), tariffs, taxation, sanctions, government affairs, anti-corruption, whistle blowing, internal and disclosure control obligations, data protection and privacy and labour relations and certain regulatory requirements that are specific to our clients' industries. Non-compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and have an adverse impact on our reputation. Gaps in compliance with these regulations in connection with the performance of our obligations to our clients could also result in exposure to monetary damages, fines and/or criminal prosecution, unfavourable publicity, restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Many countries also seek to regulate the actions that companies take outside of their respective jurisdictions, subjecting us to multiple and sometimes competing legal frameworks in addition to our home country rules. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights. We could also be subject to risks to our reputation and regulatory action on account of any unethical acts by any of our employees, partners or other related individuals.

We have a number of employees located outside of India. We are subject to risks relating to compliance with a variety of national and local laws, including multiple tax regimes, labour laws, and employee health, safety, wages and benefits laws. We may, from time to time, be subject to litigation or administrative actions resulting from claims against us by current or former employees individually or as part of class actions, including claims of wrongful terminations, discrimination, misclassification or other violations of labour law or other alleged conduct. We may also, from time to time, be subject to litigation resulting from claims against us by third parties, including claims of breach of non-compete and confidentiality provisions of our employees' former employment agreements with such third parties or claims of breach by us of their intellectual property rights. Our failure to comply with applicable regulatory requirements could have a material adverse effect on our business, financial condition and results of operations.

26. *Our work with government clients exposes us to additional risks inherent in the government contracting environment.*

Our clients include governmental entities such as ministries of the Central Government and national as well as state level public sector undertakings. Our government work carries various risks inherent in the government contracting process, which may affect our operating profitability. These risks include, but are not limited to, the following:

- government contracts are often subject to more extensive scrutiny and publicity than contracts with commercial clients. Negative publicity related to our government contracts, regardless of its accuracy, may further damage our business by affecting our ability to compete for new contracts among governmental and commercial entities;
- participation in government contracts could subject us to stricter regulatory requirements which may

increase our compliance costs;

- delays in payment due to time taken to complete internal processes;
- political and economic factors such as pending elections, changes in leadership among key governmental decision makers, revisions to governmental tax policies and reduced tax revenues can affect the number and terms of new government contracts signed;
- terms and conditions of government contracts tend to be more onerous and are often more difficult to negotiate than those for commercial contracts; and
- government contracts may not include a cap on direct or consequential damages, which could cause additional risk and expense in these contracts.

27. *Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject, and this may have a material adverse effect on our business, financial condition and results of operations.*

Our insurance policies cover loss to data protection, cyber extortion, physical loss or damage to our property and equipment arising from a number of specified risks and certain consequential losses, including network interruption, arising from the occurrence of an insured event under the policies. We have insurance policies to cover our assets against losses from fire and other risks to our properties. We also maintain insurance policies against third party liabilities, including a commercial general liability policy and a cyber-risk protector policy, professional technology liability policy, each with worldwide coverage, in addition to group insurance and medical insurance policies for the benefit of our employees, employer's practice liability insurance, and such other insurance policies as required by applicable law and/or contract. In addition, we may obtain project-specific insurance coverage for higher-risk projects. We are also covered for directors' and officers' liability insurance procured by our Promoter.

Notwithstanding the insurance coverage that we carry, the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events not covered by insurance policies, could materially harm our financial condition and future results of operations. There can be no assurance that any claims filed will be honored fully or timely under our insurance policies. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage.

28. *Our risk management policies and procedures may not adequately address unidentified or unanticipated risks, including exchange rate and interest rate risk.*

We are exposed to various forms of operational, legal and regulatory risks. We have entered into various hedging transactions in relation to our financial obligations. Factors such as exchange rates, interest rates, the availability and cost of credit, creditworthiness of counterparties and the liquidity of the global financial markets could significantly affect our financial position. Many of the hedging and other risk management strategies that we utilise also involve transactions with financial services counterparties. The failure of these counterparties to settle or the perceived weakness of these counterparties may impair the effectiveness of our hedging and other risk management strategies. For further details on exchange rate risks, see "Risk Factors - Exchange rate fluctuations in various currencies in which we do business could negatively impact our business, financial condition and results of operations" on page 23.

To the extent we incur floating rate indebtedness, changes in interest rates may increase our cost of borrowing and impact our profitability. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political conditions, and other factors beyond our control. Interest rate increases could result in our interest expense increasing, which may result in operating losses for us. Additionally, if the interest rates for our borrowings increase significantly, our cost of funds will increase which could adversely impact our results of operations, planned capital expenditures and cash flows.

As we seek to expand the scope of our operations, we also face the risk that we will be unable to develop risk management policies and procedures that are properly designed for those new business areas or to manage the

risks associated with the growth of our existing businesses. Inability to develop and implement effective risk management policies may adversely affect our business, financial condition, results of operations and prospects.

29. *We will continue to be controlled by our Promoter after the completion of the Offer.*

As of the date of this Draft Red Herring Prospectus, our Promoter (along with six individuals who hold jointly as nominees of our Promoter) holds our entire pre-Offer share capital. Furthermore, after the completion of this Offer, our Promoter will control, directly or indirectly, more than 75% of our outstanding Equity Shares. As a result, our Promoter will continue to exercise significant control over us, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoter may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

In addition, and in the event of any such change of control, merger, consolidation, takeover or other business combination involving us, a transfer of shares by our Promoter, or actions such as a preferential allotment to any investor or a conversion of any convertible instruments which could result in us ceasing to be a part of L&T group, our ability to leverage the “Larsen & Toubro” brand may be adversely affected and the benefits of being a L&T group company, which includes access to capital and human resources (particularly key managerial personnel and other employees who are deputed to our company), access to our Promoter’s global network, various operational synergies, use of premises owned by our Promoter and our ability to leverage business from other L&T group companies, may no longer be possible and as a result of which, could materially and adversely affect our business, future financial performance and results of operations. Additionally, many of our client contracts also contain clauses on termination of the contract in the event of a change of control of our Company.

We cannot assure you that our Promoter and members of our Promoter Group will act in our interest, or in the interests of minority shareholders, while exercising their rights in such entities.

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

We require certain approvals, licenses, registrations and permissions for operating our business, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. For further details, see “Government Approvals” beginning on page 340. Further, the approvals that we have obtained stipulate certain conditions requiring our compliance. The approvals obtained for SEZs require our Company to intimate the authorities for changes in constitution of our Board which we may not have complied with. We have also filed an application for compounding with the RBI in relation to investments in L&T Infotech Canada in 2005 through our overseas branch and filing requirements under the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004. If we fail to obtain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected.

31. *Compliance with, and changes in labour laws and regulations could materially and adversely affect our business, future financial performance and results of operations, while we face further labour risks, such as the risk of our employees joining a labour union and engaging in collective bargaining.*

Our workforce consists of employees, outsourced personnel and personnel retained on a contractual basis. As of March 31, 2015, our workforce comprised 19,479 employees. Our full-time employees are employed by us and are entitled to statutory employment benefits, such as retirement benefits. For further details, see “Our Business—Human Resources” from page 142 to 144.

We are subject to various labour laws and regulations governing our relationships with our employees and contractors, including in relation to minimum wages, working hours, overtime, working conditions, hiring and terminating the contracts of employees and contractors, contract labour and work permits.

We cannot assure you that we will be in compliance with current and future health and safety and labour laws and

regulations at all times, and any potential liability arising from any failure to comply therewith (such as a change of law which requires us to treat (and extend benefits to) our outsourced personnel, and personnel retained on a contractual basis, as being full-time employees), could materially and adversely affect our business, future financial performance and results of operations.

Currently, our employees are not members of a labour union. We can give you no assurance that they will not, in the future, join a labour union, or eventually wish to engage in collective bargaining. In the event of a labour dispute, protracted negotiations and/or strike action may impair our ability to carry on our day-to-day operations which could materially and adversely affect our business, future financial performance and results of operations.

32. *We do not own our registered office and certain office premises from which we operate.*

We do not own the premises in which our registered office and certain office premises are situated. The registered, corporate and certain office premises are owned by our Promoter and certain other office premises are owned by other third parties. We cannot assure you that we will own, or have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of these premises, which may impair our operations and adversely affect our financial condition. For further details of our premises, see “Our Business – Property” on page 144.

Furthermore, some of the lease agreements and leave and license agreements may not be adequately stamped or registered with the registering authority of the appropriate jurisdiction. An instrument not duly stamped, or insufficiently stamped, shall not be admitted as evidence in any Indian court or may attract a penalty as prescribed under applicable law, which may have a material adverse effect on the continuance of our operations and business.

33. *We have entered into, and will continue to enter into, related party transactions.*

We have entered into and may in the course of our business continue to enter into transactions specified in the financial results contained in the Draft Red Herring Prospectus with related parties that include our Promoter and companies forming part of our Group Companies. For further details in relation to our related party transactions, see “Related Party Transactions” on page 192. While we believe that all such transactions have been conducted on an arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, including specific compliance requirements such as obtaining prior approval from audit committee, the board of directors and shareholders for certain related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our financial condition and results of operations.

34. *One of our Promoter Group entities, LTTSL, operates in a similar line of business as us, which may lead to competition with such Promoter Group entity and could potentially result in a loss of business opportunity for our Company.*

Our Promoter Group entity, LTTSL, is involved in the engineering services and products business. LTTSL provides innovative design and development solutions and end-to-end engineering services in industries such as industrial products, transportation, aerospace, telecommunication, hi-tech and the process industry. Specific services that LTTSL offers include mechanical engineering, embedded systems, engineering process services and product lifecycle management, as well as proprietary solutions in engineering data analytics, power electronics, machine-to-machine and the IoT. We have recently sold our PES Business to LTTSL. For further details, see “Our Business – Notable Developments” on page 133. Some of our competitors provide, under a single company and with the same management, the engineering services that are currently separately provided by LTTSL and us. While we currently do not provide the engineering services provided by LTTSL, we may in the future decide to provide such engineering services and have to compete with LTTSL for business, services and employees. Our Promoter owns 100% of the shares of LTTSL. Our Promoter may have conflicts of interest with our interests or the interests of our Shareholders and favour LTTSL in certain situations, or not direct opportunities to us. Any of the above may impact our business, financial condition and results of operations.

35. *We do not own the “L&T” trademark and logo. Our Trademark License Agreement may be terminated*

under certain circumstances. In addition, we may be unable to adequately protect our intellectual property since a number of our trademarks, logos and other intellectual property rights may not be registered and therefore do not enjoy any statutory protection. Further, we may be subject to claims alleging breach of third party intellectual property rights.

Third parties may infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and any third party claim on any of our unprotected brands may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time-consuming and costly and a favourable outcome cannot be guaranteed. We may not be able to detect any unauthorised use or take appropriate and timely steps to enforce or protect our intellectual property. We cannot assure you that any unauthorised use by third parties of the trademarks will not similarly cause damage to our business prospects, reputation and goodwill.

Further, the “L&T” trademark is registered in favour of our Promoter. Pursuant to the Trademark License Agreement, among our Company and our Promoter, we have been granted a global non-exclusive, non-transferrable license to use the “L&T” trademark and logo for a consideration payable by each of the licensees of 0.25% of revenue, or 5% of profit after tax, whichever is lower, plus applicable taxes and duties. The payment of such consideration shall be made on an annual basis, unless otherwise agreed among the parties. This consideration is payable to our Promoter from Financial Year 2016 onwards. The Trademark License Agreement can be terminated by either of the parties thereto upon 120 days’, prior written notice in accordance with its terms. Furthermore, the Trademark License Agreement can also be terminated by any party upon change in management control of the licensee or if the shareholding of the licensor in our Company falls below 51% or upon breach of the terms of the Trademark License Agreement by the licensee. In the event that the Trademark License Agreement is terminated, we may have to discontinue the use of the “L&T” trademark and logo which may materially and adversely affect our reputation, business, financial condition, results of operation and prospects.

36. Our Company will not receive any proceeds from the Offer for Sale. Our Promoter is the Selling Shareholder and will receive the entire proceeds from the Offer for Sale.

This Offer is an Offer for Sale of up to 17,500,000 Equity Shares by our Promoter. The entire proceeds from the Offer for Sale will be paid to our Promoter and our Company will not receive any such proceeds. For further details, see “Capital Structure” and “Objects of the Offer” on pages 81 and 95, respectively.

37. Our Promoter, Directors and Key Managerial Personnel are interested in our Company other than reimbursement of expenses or normal remuneration or benefits.

Our Promoter is interested in our Company to the extent it has promoted our Company and to the extent of its shareholding and the dividends payable if any, licensing of the “L&T” trademark, recovering remuneration from our Company paid to deputed employees, leasing of certain properties in our favour and providing certain other services in the ordinary course of business, including business support services in respect of infrastructure facilities and human resources’ services and shared services in respect of employees’ pay roll. We cannot assure you that there will not be a conflict in interest between our Company and our Promoter and our Directors and Key Managerial Personnel in the future.

38. Some of our Group Companies have incurred losses in the last preceding financial year, based on the last audited financial statements available.

Some of our Group Companies have incurred losses in the last preceding financial year, based on the last audited financial statements available. For further details of our loss making Group Companies, see “Group Companies – Loss making Group Companies” from pages 190 to 191. We cannot assure you that our Group Companies will not incur losses in the future.

39. Our debt financing agreements contain restrictive covenants that may adversely affect our business, credit ratings, prospects, results of operations and financial condition.

Certain debt financing agreements that we have entered into contain restrictive covenants and/or events of default that limit our ability to undertake certain types of transactions. Certain of our debt financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities or entering into certain transactions. These debt financing agreements also require us to maintain certain financial covenants including in relation to maintenance of minimum net debt to EBITDA ratio, minimum tangible net worth, minimum fixed asset cover and maximum net gearing. Typically, restrictive covenants under our financing documents relate to obtaining prior consent of the lenders for, amongst others:

- refraining from changing our financial year end from the date we have currently adopted;
- refraining from reducing our Promoter's shareholding in our Company to below 51%;
- refraining from selling, letting out, transferring or disposing off all or substantial part of our assets; and
- refraining from declaring dividends or distributing profits except where the instalments of principal and interest payable to a particular lender is being paid regularly and there are no irregularities in relation thereto.

We cannot assure you that we have complied with all such restrictive covenants in a timely manner or at all or that we will be able to comply with all such restrictive covenants in the future. A failure to observe the restrictive covenants under our debt financing agreements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, levy of default interest, acceleration of all amounts due under such facilities and the enforcement of any security provided in relation thereto. Any acceleration of amounts due under such debt financing agreements may also trigger cross-default or cross-acceleration provisions under our other debt financing agreements. If the obligations under any of our debt financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such debt financing agreements, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or may face difficulties raising, further financing. In addition, in such eventuality, other third parties may have concerns over our financial position. Any of these circumstances could adversely affect our business, credit ratings, prospects, results of operations and financial condition. Moreover, any such action initiated by our lenders could result in the price of the Equity Shares being adversely affected.

40. *Our Company, Promoter and Group Companies have unsecured loans that may be recalled by the lenders at any time.*

Our Company, Promoter and Group Companies currently have availed unsecured loans which may be recalled by their lenders at any time. In the event that any lender seeks a repayment of any such loan, our Promoter and Group Companies would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. We may not have adequate working capital to undertake new projects or complete the ongoing projects. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please see "Financial Indebtedness" from pages 294 to 295.

EXTERNAL RISK FACTORS

41. *The markets in which we operate are subject to the risk of earthquakes, floods, tsunamis, storms and other natural and manmade disasters.*

Some of the regions that we operate in are prone to earthquakes, floods, tsunamis, storms and other natural and manmade disasters. In the event that any of our business centers are affected by any such disasters, we may sustain damage to our operations and properties, suffer significant financial losses or be unable to complete our client engagements in a timely manner, if at all. For example, snowstorms in the northeastern part of the United States in January and February of 2014 resulted in airport and business closures which affected our ability to conduct business with, and generate revenue from, clients in that region during the said period. Further, in the event of a natural disaster, we may also incur costs in redeploying personnel and property.

In addition, if there is a major earthquake, flood or other natural disaster in any of the locations in which our significant customers are located, we face the risk that our customers may incur losses, or sustained business interruption, which may materially impair our ability to provide services to our customers and may limit their ability

to continue their purchase of products or services from us. A major earthquake, flood or other natural disaster in the markets in which we operate could have a material adverse effect on our business, financial condition and results of operations.

Risks related to investments in India

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

Our business and financial performance could be adversely affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business.

The governmental and regulatory bodies in India may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to our services, currently or in the future, may be subject to interpretation by applicable authorities, and if amended/ notified, could result in an increase in our tax payments (prospectively or retrospectively) and/or subject us to penalties, which could affect our business operations. Further, the Government has proposed a comprehensive national GST regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. 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.

Furthermore, the Finance Act of 2015, which came into force in May 2015, introduces certain changes in relation to existing tax legislation. The changes introduced include hike in service tax rates, changes to the Cenvat Credit Rules of 2004, changes in excise duty rates and amendments to the Customs Act of 1952. We cannot predict the impact of the changes introduced in the Finance Act of 2015 on our business, financial condition and results of operations.

43. *Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.*

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;

- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or its IT sector.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

44. *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 was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Indian central government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

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

45. *Indian law limits our ability to raise capital outside of India and may limit the ability of others to acquire us, which could prevent us from operating our business or entering into a transaction that is in the best interests of our shareholders.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources for our business and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

46. *Significant differences exist between Indian GAAP, used throughout our financial information and other accounting principles with which investors may be more familiar.*

As stated in the report of our auditors included in this Draft Red Herring Prospectus, our financial statements are prepared and presented in conformity with Indian GAAP, consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this Draft Red

Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, including IFRS.

Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on your familiarity with Indian GAAP and the Companies Act, 2013. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

47. *Public companies in India, including us, are required to prepare financial statements under Ind AS and compute Income Tax under the Income Computation and Disclosure Standards (the “ICDS”). The transition to Ind AS and ICDS in India is very recent and still unclear and we may be negatively affected by such transition.*

India has decided to adopt the “Convergence of its existing standards with IFRS” and not IFRS. These “IFRS based/ synchronised Accounting Standards” are referred to in India as Ind AS. The Ministry of Corporate Affairs, Government, has through a notification dated February 16, 2015, set out the Ind AS and the timelines for their implementation. Accordingly, our Company is required to prepare its financial statements in accordance with Ind AS from April 1, 2016. Given that Ind AS is different in many respects from Indian GAAP under which our financial statements are currently prepared, our financial statements for the period commencing from April 1, 2016 may not be comparable to our historical financial statements.

Further, we have made no attempt to quantify or identify the impact of the differences between Ind AS and Indian GAAP as applied to our financial statements and there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. In addition, our management may also have to divert its time and other resources for the successful and timely implementation of Ind AS. Any failure to successfully adopt Ind AS may have an adverse effect on the trading price of the Equity Shares and/or may lead to regulatory action and other legal consequences. Moreover, our transition to Ind AS reporting may be hampered by increasing competition and increased costs for the relatively small number of Ind AS-experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations.

In addition, the Ministry of Finance has issued a notification dated March 31, 2015 notifying ICDS which creates a new framework for the computation of taxable income. ICDS came into effect from April 1, 2015 and shall apply to Financial Year 2016 onwards. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations will have the effect of requiring taxable income to be recognised earlier, higher overall levels of taxation to apply or both. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for MAT, which our Company currently pays. We have made no attempt to quantify or identify the impact of the computation of taxable income following ICDS. It is possible that the resultant computation of taxable income based on ICDS and net income based on our Company’s financial statements may be significantly different and, if they differ, we may be required to recognise taxable income earlier and/or pay higher overall taxes.

48. *We may be unsuccessful in protecting our intellectual property rights in India. Unauthorised use of our intellectual property may result in the development of technology, products or services which compete with our products. We may also be subject to third-party claims of intellectual property infringement.*

Our intellectual property rights are important to our business. We rely on a combination of patent, copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property. However, we cannot be certain that the steps we have taken will prevent unauthorised use of our intellectual property. Furthermore, the laws of India do not protect proprietary rights to the same extent as laws in certain other countries (including the United States). Therefore, our efforts to protect our intellectual property may not be adequate. Our competitors may independently develop similar technology or duplicate our products or services. Unauthorised parties may infringe upon or misappropriate our products, services or proprietary

information.

The misappropriation or duplication of our intellectual property could disrupt our ongoing business, distract our management and employees, reduce our revenue and increase our expenses. The competitive advantage that we derive from our intellectual property may also be diminished or eliminated. We may need to litigate to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others. Any such litigation could be time-consuming and costly. As the number of patents, copyrights and other intellectual property rights in our industry increases, and as the coverage of these rights increases, we believe that companies in our industry will face more frequent infringement claims. Defending against these claims, even if not meritorious, could be expensive and divert our attention and resources from operating our Company. Also, there can be no assurance that, as our business expands into new areas, we will be able to independently develop the technology necessary to conduct our business or that we can do so without infringing on the intellectual property rights of others.

Although we believe that our intellectual property rights do not infringe on the intellectual property rights of any other party, infringement claims may be asserted against us in the future. If we become liable to third parties for infringing their intellectual property rights, we could be required to pay a substantial damage award and be forced to develop non-infringing technology, obtain a license or cease selling the applications or products that contain the infringing technology. We may be unable to develop non-infringing technology or to obtain a license on commercially reasonable terms, or at all. Further, we may be required to provide indemnification to clients for third-party breaches of intellectual property pursuant to our contracts with such parties.

49. Investors may have difficulty enforcing foreign judgments against us or our management

We are a limited liability company incorporated under the laws of India. Substantially all of our directors and executive officers are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Indian central government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

We have been advised by our Indian counsel that the United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

Risks Related to the Equity Shares

50. *The trading volume and market price of the Equity Shares may be volatile following the Offer.*

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- changes in the price of oil or gas;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

51. *Currency exchange rate fluctuations may have a material adverse effect on the value of the Equity Shares, independent of our results of operations.*

The exchange rate between the Rupee and the USD and other foreign currencies has changed considerably in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the Rupee and other currencies may affect the value of a non-resident investor's investment in the Equity Shares.

A non-resident investor may not be able to convert Rupee proceeds into USD or any other currency or the rate at which any such conversion may occur could fluctuate. In addition, our market valuation could be seriously harmed by the devaluation of the Rupee, if United States or other non-resident investors analyse our value based on the USD equivalent of our financial condition and results of operations.

For historical exchange rate fluctuations, see "Certain Conventions, Presentation of Financial, Industry and Market Data" on page 15.

52. *Future issuances or sales of the Equity Shares could significantly affect the trading price thereof.*

Our future issuances of Equity Shares (including under ESOPs) or the disposal of Equity Shares by our Promoter or any of our other principal shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India, may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of your investment in our Company.

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

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

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

Our Articles of Association, regulations of our board of directors, Indian laws governing our corporate affairs, the validity of 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 a shareholder in our Company than as a shareholder of a company in another jurisdiction.

55. *Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. For further details, see "Restrictions on Foreign Ownership of Indian Securities" on page 411.

Prominent Notes:

1. Public offer of up to 17,500,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million through an Offer for Sale by the Selling Shareholder. The Offer would constitute [●] % of our post-Offer paid-up Equity Share capital.
2. As of March 31, 2015, our Company's net worth was ₹ 19,254.53 million as per our Company's unconsolidated Restated Financial Statements and ₹ 20,263.48 million as per our Company's consolidated Restated Financial Statements.
3. As of March 31, 2015, the net asset value per Equity Share was ₹ 119.41 as per our Company's unconsolidated Restated Financial Statements and was ₹ 125.66 as per our Company's consolidated Restated Financial Statements and the book value per Equity Share was ₹ 119.41 as per our Company's unconsolidated Restated Financial Statements and was ₹ 125.66 as per our Company's consolidated Restated Financial Statements.
4. The average cost of acquisition of Equity Shares by our Promoter is ₹ 8.33. For details, see "Capital Structure" on page 81. The average cost of acquisition per Equity Share by our Promoter has been calculated by taking the average of the amounts paid by our Promoter to acquire Equity Shares.
5. For details of related party transactions entered into by our Company with our Group Companies in the last financial year, see "Related Party Transactions" beginning on page 192.
6. There has been no financing arrangement whereby our Promoter Group, directors of our Promoter, our

Directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

7. Except as disclosed in the “Group Companies” and “Related Party Transactions” beginning on pages 190 and 192, none of our Group Companies have business interest or other interests in our Company.
8. For any complaints, information or clarifications pertaining to the Offer, investors may contact the BRLMs who have submitted the due diligence certificate to SEBI.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

The following information includes extracts from publicly available information, industry reports, data and statistics and has been extracted from official sources and other sources that we believe to be reliable, but which has not been independently verified by us or the BRLMs, or any of our or their respective affiliates or advisers.

The data may have been re-classified by us for the purpose of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information and estimates as of specific dates and may no longer be current or reflect current trends. Such information, data and estimates may be approximations or use rounded numbers.

All references to years in the section below are to calendar years unless specified otherwise.

Investors should note that this is only a summary of the industries in which we operate 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 “Risk Factors” and “Financial Statements” beginning on pages 19 and 194, 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, see “Risk Factors” beginning on page 19.

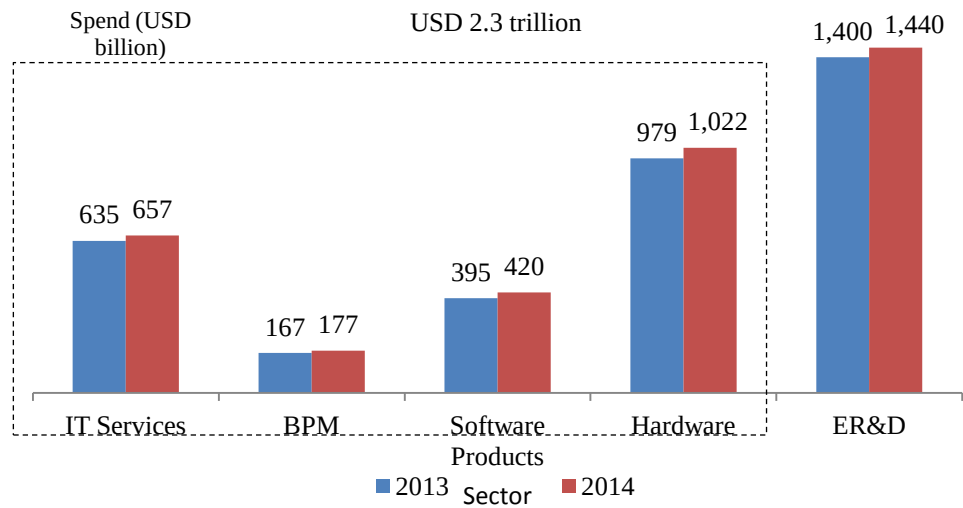
The Global IT-BPM Industry – overview and trends in 2014

In 2014, the global economy continued to display volatility even in the face of positive factors such as declining oil prices and the general revival of the US economy. According to NASSCOM, these trends impacted the information technology and business process management (“IT-BPM”) industry along with other trends such as changing customer expectations, digitisation and regulatory changes across the globe. Further, emerging technologies such as social, mobile, analytics and cloud (“SMAC”), internet of things (“IoT”), wearable devices, all of which are focused around improving the customer experience are also changing the face of the industry. (Source: *The IT-BPM Sector in India: Strategic Review 2015*, NASSCOM, February 2015 (the “NASSCOM Report”))

In such a scenario, NASSCOM notes that the IT-BPM sector recorded steady growth in 2014, with worldwide spend at nearly USD 2.3 trillion, a growth of 4.6 per cent over 2013. As represented in the chart below, software products, IT and BPM services continued to lead, accounting for nearly USD 1.3 trillion in global spend (amounting to 55 per cent of the worldwide technology spend of USD 2.3 trillion). (Source: *NASSCOM Report*)

According to NASSCOM, the global spending on IT services grew at 3.5 per cent in 2014, to reach USD 657 billion, aided by the improving economies of the US and other regions. Traditional and mature verticals such as banking, financial services and insurance (“BFSI”), manufacturing and telecommunications continue to drive growth while the share of verticals such as healthcare and retail increased as SMAC adoption across industries increased. IS outsourcing and custom application development growth increased substantially, driven by SMAC adoption. The demand for IT consulting services grew, while systems integration and outsourcing dropped marginally. Commoditisation, increasing demand for cloud platform services and drop in hardware maintenance services also affected the segment. (Source: *NASSCOM Report*)

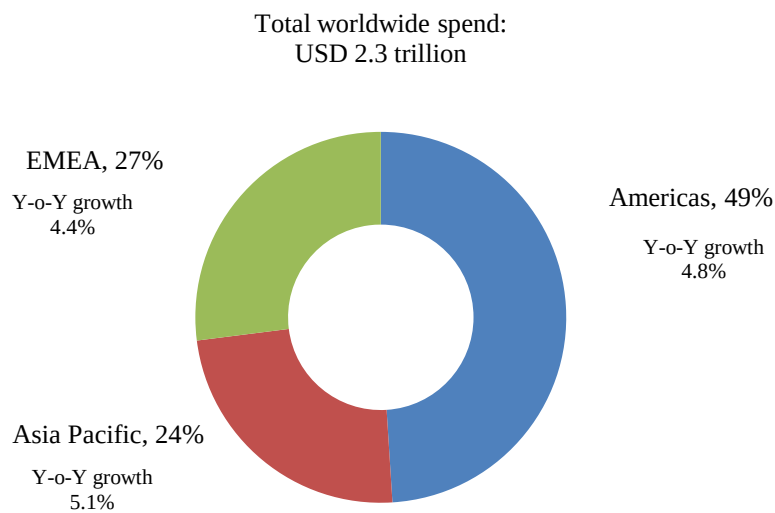
IT-BPM sector wise spend (USD billion)



(Source: NASSCOM Report)

A significant percentage of this growth was led by the Americas and the Asia-Pacific market, with a growth rate of 4.8 per cent and 5.1 per cent respectively in 2014. While the Americas remained the largest market in 2014, the Asia-Pacific region recorded the highest growth, driven by faster growth in BPM services. (Source: NASSCOM Report)

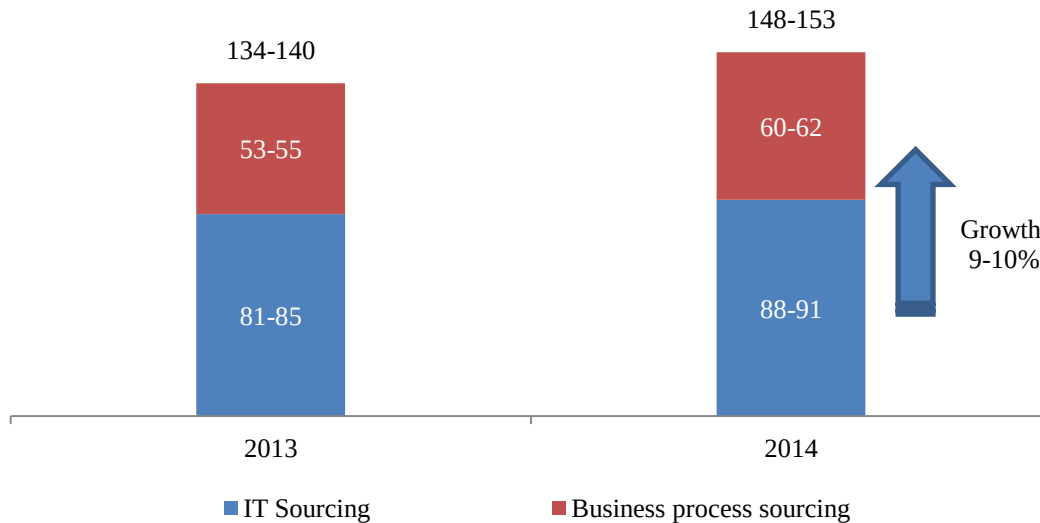
IT-BPM geographic market share (2014)



(Source: NASSCOM Report)

NASSCOM notes that 2014 saw renewed demand for overall global sourcing, which grew by 9-10 per cent over 2013, nearly twice the global technology spend growth (see chart below).

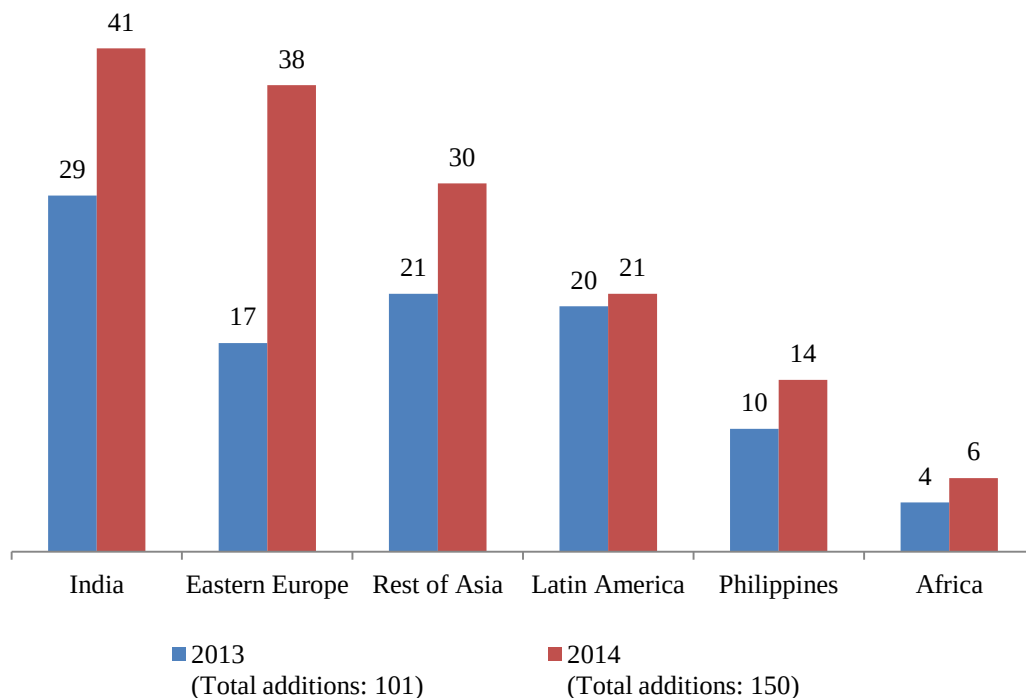
Global sourcing growth (USD billion)



(Source: NASSCOM Report)

India maintained its leadership position in the global sourcing area with a share of 55 per cent of global IT-BPM spend in 2014. New delivery centers for global sourcing added in 2014 recorded a growth of 49 per cent, with over 27 per cent of the new additions being in India (see chart below). (Source: NASSCOM Report)

New delivery centers set up in 2013 and 2014



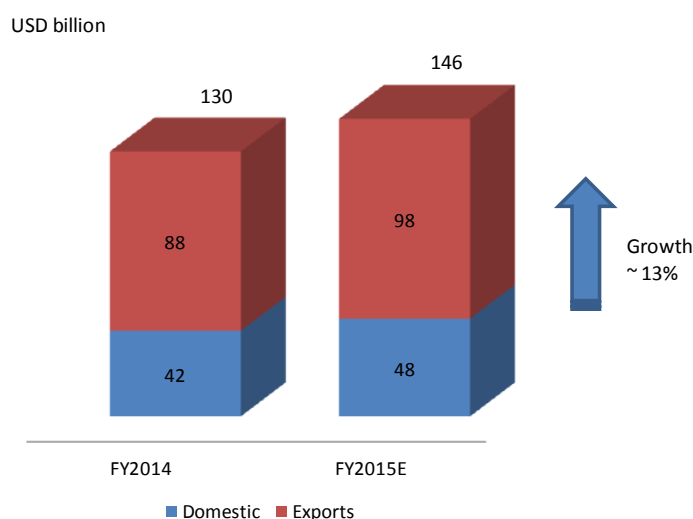
(Source: NASSCOM Report)

The Indian IT-BPM Industry – Overview and trends

Overview

According to NASSCOM, the Indian IT-BPM industry demonstrated flexibility to adjust to turbulent economic conditions and experienced double digit growth in 2014. Overall revenue (comprising revenues from exports and domestic revenues) for fiscal year 2015 is expected at USD 146 billion, a growth of approximately 13 per cent over the last fiscal year, an overall year-on-year addition of approximately USD 17 billion (see chart below). (Source: NASSCOM Report)

Indian IT – BPM Industry – Revenues¹



Notes:

1. Includes hardware; domestic market numbers include eCommerce market.

E: Estimate

(Source: NASSCOM Report)

The table below shows the revenues for the various segments of the Indian IT-BPM industry for fiscal year 2013, fiscal year 2014 and fiscal year 2015 (estimated):

	FY2013			FY2014			FY2015E		
	Exports	Domestic	Total	Exports	Domestic	Total	Exports	Domestic	Total
	USD billion								
IT services ¹	42.9	12.2	55.1	49.2	12.0	61.2	55.4	13.3	68.6
BPM	18.3	3.2	21.5	20.4	3.2	23.7	22.7	3.5	26.2
Packaged software, ER&D and product development ²	15.3	3.8	19.1	17.7	3.7	21.4	20.0	4.2	24.1
Hardware	0.4	12.8	13.3	0.4	12.6	13.1	0.4	13.1	13.5
eCommerce	-	8.7	8.7	-	10.5	10.5	-	14.0	14.0
Total	77.0	40.7	117.7	87.7	42.1	129.8	98.5	48.0	146.4

Notes:

1. Offshore Software Product Development (“OSPD”), which was earlier clubbed with IT services, has now been re-classified under ER&D and product development.

2. Includes packaged software, OSPD, Engineering R&D and product development.

E: Estimate

(Source: NASSCOM Report)

NASSCOM notes that exports (including hardware) are likely to record a 12.3 per cent growth to reach approximately USD 98 billion, up by approximately USD 11 billion compared to the last fiscal year. Exports of IT services increased by approximately 15 per cent in Fiscal Year 2014 compared to Fiscal Year 2013 and are expected

to increase by approximately 13 per cent in Fiscal Year 2015 (compared to Fiscal Year 2014). The domestic IT-BPM market at USD 48 billion (for Fiscal Year 2015) is expected to grow faster than the exports market at 14 per cent, driven largely by the addition of eCommerce services. IT services is the largest segment of the Indian IT-BPM industry, with a share of approximately 47 per cent followed by BPM with share of approximately 18 per cent. Packaged software, engineering, research and development (“ER&D”) and product development segments together have an approximately 16 per cent share followed by eCommerce (9.5 per cent) and hardware (approximately 9 per cent). (Source: NASSCOM Report)

The table below shows the break-up of the amount of exports (in US dollar terms) of the various segments in the chart above for Fiscal Year 2014:

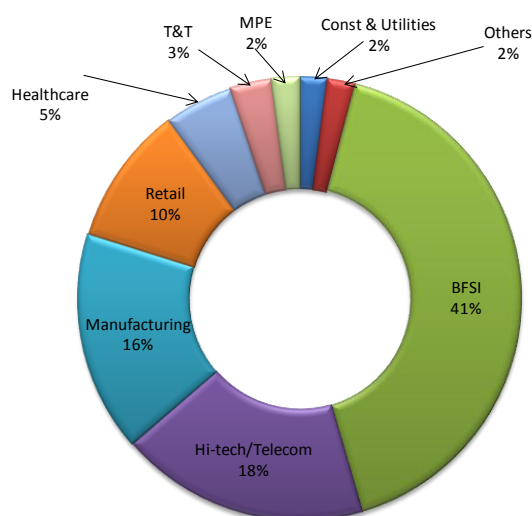
	Fiscal Year 2014	Fiscal Year 2015 (estimated)
	(USD billion)	
Project based	24.8	27.6
IT consulting	1.4	1.5
Systems integration	1.4	1.6
Custom application development	17.9	19.7
Network consulting and integration	0.5	0.6
Software testing	3.6	4.3
Outsourcing¹	20.7	23.8
Application management	6.2	6.8
IS outsourcing	9.2	11.0
Other (SOA & WEB Services)	5.4	6.1
Support and Training	3.6	3.9
Software deploy and support	2.9	3.1
Hardware deploy and support	0.2	0.2
IT education and training	0.5	0.6
Total	49.2	55.4

Notes:

1. OSPD, which was earlier clubbed with IT Services, has now been re-classified under ER&D and product development. As such, these numbers will not match with those published earlier.

(Source: NASSCOM Report)

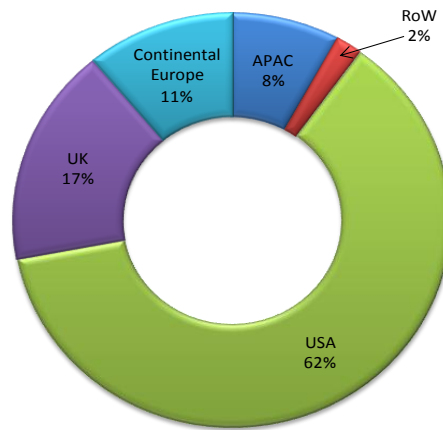
The chart below shows the contribution of the various sectors to IT-BPM exports for 2014:



Total: USD87.7 billion

(Source: NASSCOM Report)

The chart below shows the share of Indian IT-BPM exports to various countries in 2014:



Total: USD87.7 billion

(Source: NASSCOM Report)

SUMMARY OF OUR 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 “Risk Factors” and “Financial Statements” beginning on pages 19 and 194, 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, see “Risk Factors” beginning on page 19.

Overview

We are one of India’s global IT services and solutions companies. In 2014, NASSCOM ranked us as the sixth largest Indian IT services company in terms of export revenues. Our clients comprise some of the world’s largest and well-known organisations, including 41 of the Fortune Global 500 companies.

We offer an extensive range of IT services to our clients in diverse industries such as banking and financial services, insurance, energy and process, consumer packaged goods, retail and pharmaceuticals, media and entertainment, hi-tech and consumer electronics and automotive and aerospace. Our range of services include application development, maintenance and outsourcing, enterprise solutions, infrastructure management services, testing, digital solutions and platform-based solutions. We serve our clients across these industries, leveraging our domain expertise, diverse technological capabilities, wide geographical reach, an efficient global delivery model, thought partnership and “new age” digital offerings.

We were incorporated in 1996 and are headquartered in Mumbai, India. We leverage the strengths and heritage of our Promoter, Larsen & Toubro Limited, a leading Indian conglomerate in engineering, construction, manufacturing, finance and technology. The L&T group provides us with access to professionals with deep industry knowledge in the sectors in which we do business. We have also inherited from the L&T group its corporate and business culture and corporate governance practices, which in our view places us in good stead in relation to our business. In addition, we benefit from our “Business-to-IT Connect” model, which we derive from the commonality of business verticals with our Promoter. For further details, see “Our Business – Our Competitive Strengths – Strong domain focus enabling Business-to-IT Connect” from pages 119 to 120.

Our growth has been marked by significant expansion of business verticals and geographies in which we do business. Besides India, we provide services globally and the percentage of our revenue from continuing operations from North America, Europe, Asia Pacific and the rest of the world amounted to 68.6%, 17.9%, 2.4% and 6.9%, respectively. As of June 30, 2015, we had 22 Delivery Centres and 42 sales offices globally.

As part of a business restructuring exercise conducted by our Promoter, all engineering services businesses of our Promoter have been consolidated under a separate subsidiary of our Promoter, LTTSL. As part of this restructuring, on January 1, 2014, we sold and transferred the assets and liabilities of our PES Business to LTTSL. Our PES Business was responsible for the operations of our telecom cluster, providing IT services and solutions to our clients in the telecommunication sector. For further details on our PES Business, see “Our Business – Notable Developments” on page 133.

Our revenue from continuing operations increased by a CAGR of 20.4% from ₹ 34,278.57 million in Financial Year 2013 to ₹ 49,680.94 million in Financial Year 2015. Our USD revenue from continuing operations comprise amounts in foreign currencies across our operations, excluding the United States, that are converted into USD using the month-end/day-end exchange rates for the relevant period. In USD terms, our revenue from continuing operations increased by a CAGR of 13.4% from USD 630.0 million in Financial Year 2013 to USD 809.9 million in Financial Year 2015. Our net profit from continuing operations increased by a CAGR of 22.1%, from ₹ 5,100.38 million to ₹ 7,600.05 million during the same period. During this same period, our total number of employees increased by 23.0%, from 15,833 as of March 31, 2013 (excluding employees of our PES Business), that has been consolidated under a separate subsidiary of our Promoter (see “Our Business – Notable Developments” on page 133) to 19,479 as of March 31, 2015.

Our Competitive Strengths

We believe that our principal competitive strengths are as follows:

Strong domain focus enabling Business-to-IT Connect

We are among the few IT service providers that are part of a diversified business conglomerate. We are part of the L&T group, whose businesses span multiple industry segments. Our “Business-to-IT Connect” model primarily leverages the domain experience and institutional knowledge of the L&T group across industries to assist us in developing and delivering IT services and solutions that benefit our clients. Our Business-to-IT Connect model is supplemented by the knowledge sharing of subject matter experts from L&T group companies to facilitate the development of solutions driven by business context and domain knowledge.

We believe that our Business-to-IT Connect proposition provides us with an advantage over our competitors in that we are able to capitalise on strategic opportunities at a faster pace due to the readily available domain and institutional knowledge at our disposal. Over the past ten years, we have built a strong domain orientation across our business verticals in the way we approach our clients with solutions to their business objectives and the way we deliver services to them.

For example, we were able to use our Business-to-IT Connect model in relation to the IT services that we provided to a global automotive original equipment manufacturer for the establishment of a “smart factory” initiative. Subsequent to our request, our parent company disseminated its knowledge on smart factories to us to capture machine information and effectively use digital technologies in relation thereto. Specifically, L&T teams presented to us on the methodologies, approaches and solutions relevant to this engagement which was very helpful for our employees in delivering services to our client.

Strong parentage and brand equity of our Promoter

The “L&T” brand is one of the most well-respected brands in India, which we believe provides us with a competitive advantage, particularly in: attracting talent and new clients; benefiting from our Promoter’s global network; exploring potential business opportunities; best corporate governance practices; accessing capital; and establishing ourselves as a thought partner with the top management of many global corporations. We have and shall continue to capitalise on the ability to engage with and obtain work from strategic global clients, vendors and partners of the L&T group. This differentiates us from our market competitors that are standalone companies, as we are able to take advantage of exposure to L&T group relationships that are familiar with and trust our Promoter’s brand. Our Promoter’s parentage has contributed towards our growth in the IT services industry, and will continue to help us achieve our strategic objectives.

Established long-term relationships with our clients

Client relationships are the core of our business. Our clients include many leading businesses, including 41 of the Fortune Global 500 companies. Our track record of delivering an extensive range of solutions using our global delivery model, demonstrable industry and technology expertise, and sensitivity to our clients’ feedback, has helped us forge strong relationships with our major clients. For example, in Financial Year 2015, we had twenty clients who generated above USD 10 million in revenue, eight clients who generated above USD 20 million in revenue and three clients who generated above USD 50 million in revenue, which is reflective of such strong client relationships.

We have a history of high client retention and derive a significant proportion of our revenues from repeat business (defined as repeat business generated in the preceding Financial Year) built on our successful execution of prior engagements. In Financial Years 2015, 2014 and 2013 we generated 98.1%, 96.9% and 97.5%, respectively, of our revenue from continuing operations from existing clients across a range of business verticals. In addition, as of March 31, 2015, we had been engaged with over 100 clients for more than three years and had been doing business with two of our largest clients for over ten years. In order to improve our service delivery and facilitate repeat business, we carry out regular surveys, which is important for us to ensure a high level of client satisfaction through continued feedback. We strive to be flexible to our clients’ business needs and requirements, in part through our Thought Partnership™ program, which is a strategic level programme, designed for us to work with executive

officers and business leaders from our clients in terms of addressing their current issues and business needs, such as reducing run costs, re-aligning IT with business changes, and helping envision their future technological needs in line with projected business trends.

We have an active and institutionalised approach for managing client relationships. We engage our clients by having a collaborative sales and marketing model where our sales, solutions and delivery teams participate in the sales process. While our sales and account managers assist our clients in day-to-day account management, members of our executive team also help manage strategic client accounts. These relationships have helped us better understand our clients' business needs and enabled us to provide effective solutions to meet these needs.

Extensive portfolio of IT services and solutions

We have an extensive portfolio of IT services that we offer our clients to address their different business and technology needs. We have continuously invested in broadening our IT service portfolio to span consulting, IT services and software platform-based services, which we tailor to our clients' specific needs and industries in which they do business. Our suite of business solutions includes technology consulting, enterprise solutions, systems integration, custom application development, application maintenance and production support, infrastructure management, independent testing and validation, Cloud ecosystem integration and business platforms and solutions. The solutions that we provide our clients are technology agnostic. In other words, we do not advocate a particular technology/product and offer the solutions most appropriate to the needs of our clients.

We believe that our extensive portfolio of IT services and solutions enables us to grow our client relationships and scope of engagements, as well as instill our clients with confidence in our ability to address their diverse and dynamic business needs.

Focus on emerging technologies

We look to assist our clients to “engage the future” through our focus on emerging technologies. We invest in new technologies and track new business trends, and believe that every industry will increasingly adopt digital as a key component of its overall IT solutions and services expenditures. We define our digital business as solutions and services offered to clients through the fusion of “new age” technologies for disruptive business transformations, including as part of our Thought Partnership™ programme. Such transformations are enabled by creating innovative business models leading to enhancing client experiences and greater operational efficiencies. Some of the technologies that we consider as “new age” include:

- Social
- Mobile
- AIM
- Cloud Computing
- Big Data
- IoT
- Enterprise Integration
- Business Process Digitalisation
- User Experience
- Cognitive Computing

Over the past few years, we have aligned our existing areas of expertise and have created focused initiatives in developing capabilities in emerging technologies, which we eventually intend to offer under a specific brand. In Financial Year 2015, our digital solutions service line represented 9.5% of our revenue from continuing operations.

Our investment in the digital practice is focused on providing our clients with a competitive edge, as well as giving us a competitive advantage in the market. Our digital assets have received multiple industry recognitions. For example, in 2015, the World Innovation Congress recognised our “ServiceFirst™” application (which provides for aftermarket service management across service ecosystems) as the “most innovative Cloud platform as a service”. Moreover, in 2015, the NetApp® Innovation Awards recognised us for our efforts in “innovation in big data”.

Track record of established processes and executing large, end-to-end, mission critical projects

We believe that we have a reputation for delivering high quality IT solutions and services, as well as timely project completion within agreed cost parameters. We have expanded our offshore, onshore and near shore presence, thus growing and developing our global delivery model and the services it provides, which are, as a result, sufficiently flexible to be adapted to respond to our clients' objectives, particularly with respect to security, scalability and cost.

Our company has a track record of executing a number of large, end-to-end, mission critical projects in diverse business areas and technology domains for clients. For examples, see "Our Business – Our Clients – Key Client Relationships" on page 138. As part of our execution of large and complex projects, we leverage our expertise in providing comprehensive project/ programme management through our global delivery model (see "Our Business - Global Delivery Model" from pages 133 to 134) and our clients benefit from our experience in multiple technologies, industry knowledge, project management expertise and proprietary software engineering tools developed in-house. Our company has successfully competed globally to win projects and our success in such engagements has enhanced our recognition in the global marketplace.

Strong management culture

We have built a strong management culture, which has been influenced by our parent company's core values and work ethic. Since we started doing business, our parent company has instilled in us its sense of purpose and passion in the manner in which it does business, and we cherish and live by those values. Our management culture is collaborative and team-oriented, which is inherent in the way we do business and we believe this is a source of competitive advantage.

Our management team comprises seasoned technology professionals with global experience, as well as professionals with deep experience in the domains of our clients, which has helped us deliver strong financial performances consistently. We believe that this blend, together with a strong management culture, helps our management team develop deep insights, anticipate trends in the market, and devise and execute our company's strategy effectively.

Conducive work environment to attract and retain talent

People are critical to our business and our ability to grow, depends to a large extent on our ability to attract, train, motivate and retain employees. We have a highly skilled, well-trained and diverse employee base, which provides us with the flexibility to adapt to the needs of our clients and the technical requirements of the various projects that we undertake.

We are recognised as a preferred employer in the Indian IT services industry. In 2014, NASSCOM ranked us among the top 20 IT BPM employers in India. Moreover, in 2015, we won five awards from the World HRD Congress in relation to our Indian operations, including training organisation of the year, best leadership development for middle management, best leadership development program for top management, and most innovative use of training and development as an HR initiative for OD. We are committed to the development of expertise and know-how of our employees, as demonstrated by regular technical seminars and training sessions organised by us. We focus on performance management, providing input on leadership qualities, mentoring and periodic reviews for career alignment and planning.

Our Business Strategies

The key elements of our business strategies are as follows:

Focus on a targeted client portfolio

We intend to continue building long-term sustainable business relationships with our existing clients to generate greater revenues. This involves inter alia increasing the scope of engagements with our existing clients; selling additional services to them; deploying project managers, delivery specialists and other professionals to provide value-added business solutions; and eventually become a thought partner with them in terms of their existing and future business needs by identifying priority solutions in consultation with industry experts.

As part of the foregoing strategy, we plan to have an optimal client portfolio to better focus and serve our clients across the geographies and industries in which we do business. We have a track record of high client retention and as our client relationships mature and deepen, we seek to expand the scope of services offered to those clients to achieve incremental revenue growth. Our ability to establish and strengthen client relationships and expand the scope of services we offer to clients will help us grow our revenues and profits.

Targeting higher total contract values

We are targeting clients who have the potential to offer opportunities with large total contract values. We intend to originate large engagements by either identifying opportunities with our existing client accounts or by targeting new clients whose existing engagements with IT vendors will be up for renewal. We plan to achieve a higher value client portfolio by focusing on annuity applications and infrastructure management service deals, which tend to be long-term in nature. As part of this strategy, we will need to provide clients with greater pricing flexibility and optionality; further develop our client-specific, industry-specific, technological and other solutions required for larger engagements; provide end-to-end services, improve our service delivery across our global delivery model; capitalise on our strengths, such as our Business-to-IT Connect model and leverage our Promoter's parentage; build additional and more holistic relationships with globally well-known software vendors and other partners; and engage in tailored marketing campaigns for specific client accounts. Furthermore, we are in the process of investing in and building sales operations capabilities to establish standardised processes to facilitate our targeting of larger and higher-value client engagements. We believe that the foregoing will enable us to deliver greater value-added IT solutions to our clients' businesses and increase our share of their IT expenditures.

Continue to focus on emerging technologies

We regularly track new technologies, industry segments and market trends in the IT solutions market and believe that digitalisation will increasingly become systematically critical in the future. We plan to further enhance our digital platforms, build industry and technology frameworks, the IoT, business process digitalisation and end-to-end digital transformational delivery capabilities. With respect to business process digitalisation, we plan to further develop automation tools providing greater value-added propositions to our clients to bring about business processing efficiency for them. We have established business relationships with a number of players in the digital space and, in addition to our existing capabilities, such relationships will further enable us to develop complex ecosystems along with our partners as a value-added proposition to our clients. In addition, as part of our strategic focus in India, we are *inter alia* positioning ourselves to cater to "Smart Cities" opportunities that we have identified therein.

Expand our focus on infrastructure management service offerings

Our IMS service practice offers a wide spectrum of end-to-end services covering IT infrastructure consulting, design, managed services, migration services, operational support, desktop support, and Cloud enablement, hosting and migration. We aim to leverage our "Business 1st" approach with respect to IMS, which provides extensive services to clients *inter alia* using application development, maintenance, support and testing services, which collectively assist our clients automate their business processes through customised service delivery plans that are aligned with their business needs and objectives. Similar to our approach in relation to emerging technologies, we have agreements with a number of players in delivering our IMS service offerings in a technologically-agnostic way. This approach is beneficial to our clients and helps establish our credibility with them with a view to eventually becoming their thought partners and long-term service providers.

In addition, we are currently looking for strategic acquisition opportunities in relation to our IMS business. We are specifically looking to acquire a complementary business, technology, service or product that can provide us with access to new markets, capabilities or assets in relation thereto.

Expand our geographical presence

We market and distribute our solutions directly through our global delivery model (see "Our Business – Global Delivery Model" from pages 133 to 134). We have historically been dependent on North America and Europe for most of our revenues. In Financial Year 2015, revenues originating from North America and Europe represented 68.6% and 17.9%, respectively, of our revenue from continuing operations. While we intend to continue expanding

our presence in the United States and Europe, we also plan to expand our geographical reach in other markets that we have identified as having potential, including Australia, Singapore, Japan, South Africa, India and the Middle East. We are in the process of augmenting our teams in these markets to further explore the opportunities therein.

With respect to our operations in South Africa, the Nordic region and the Middle East, we view these regions as gateways to the rest of Africa, Eastern Europe/the Baltic region and the Middle East/North Africa region, respectively. As such, we intend to allocate resources to these markets not only for pure-play market opportunities therein, but also as stepping-stones to other client opportunities that we can identify through greater regional experience, expertise and client referrals. For example, in South Africa, we recruit local nationals to assist in our market penetration efforts, in addition to complying with local regulatory requirements. In the Middle East we intend to leverage the strong presence of the L&T group, which is engaged in the oil and gas, construction and transportation sectors.

We have identified Germany and France as important markets for us going forward and we would like to enhance our capabilities and address gaps in language capability, industry expertise, technical expertise and geographic coverage in these countries. As such, we are also currently contemplating pursuing strategic acquisitions in these markets.

Strengthen our brand name in the Indian and global IT services market

The “L&T” brand is well-established as one of India’s most prominent conglomerates and we have benefited from such parentage. At the same time, we intend to further strengthen our “L&T Infotech” brand by continuing to deliver high quality services to our clients, enhancing our market positions in the markets in which we do business and becoming a thought partner with our clients.

Accordingly, we have engaged in a number of brand building exercises, and intend to continue strengthening our brand in the IT services marketplace through brand building efforts, communication and promotional initiatives, such as interacting with industry research organisations and prominent publications, industry analysts, participating in industry events, public relations and investor relations efforts. We also plan to conduct various customised client events, including seminars, roundtables and breakfast sessions on identified industry or technology specific themes with a view to delivering a focused message on our capabilities, experience and value proposition relevant to the specific theme. In addition, we connect with academia through our campus connect programmes and look to further build our brand by attracting the best talent.

We believe that an established record of excellence, the foregoing initiatives and the listing of the Equity Shares will enhance the visibility of our brand name, contribute to our recruitment and retention initiatives and strengthen our recognition as a leader in the Indian IT services industry.

Focus on greater internal operational efficiency

We plan to continue developing and investing in frameworks, accelerators, in-house proprietary solutions and customised software processes to drive efficiencies internally. We also plan to increase our profitability by streamlining our cost structure with a focus on high employee utilisation and optimising resource mix. We have a specific department to identify and implement direct cost reductions in our operations. To this end, business process digitalisation is important in streamlining our cost structure to make us more operationally efficient. We plan to automate various project delivery processes as well as internal IT service processes to enhance human productivity and once various tools are developed in relation thereto, we plan to institutionalise their usage across our business units, which will provide us with the appropriate business platform to be more efficient. We also plan to introduce specific business process digitalisation initiatives in relation to our business verticals and service lines for us to realise operational cost savings. We believe that the foregoing initiatives will allow us to move up the value chain with respect to services offered.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from:

- a. The unconsolidated Restated Financial Statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011; and*
- b. The consolidated Restated Financial Statements as of and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011.*

The financial statements referred to above are presented under “Financial Statements” beginning on page 194. The summary financial information presented below should be read in conjunction with these financial statements, the notes thereto and “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 194 and 296, respectively.

RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

₹ Million

Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
EQUITY AND LIABILITIES					
<i>Shareholders' funds</i>					
Share capital	161.25	161.25	161.25	161.25	161.25
Reserves and surplus	19,093.28	14,522.83	12,168.69	10,116.06	11,003.34
Total equity	19,254.53	14,684.08	12,329.94	10,277.31	11,164.59
<i>Non-current liabilities</i>					
Long-term borrowings	138.89	266.29	361.90	452.22	-
Deferred tax liabilities (net)	76.84	180.34	-	-	-
Other long-term liabilities	538.35	729.11	1,256.88	2,022.19	815.66
Long-term provisions	103.71	131.06	94.30	51.25	36.23
	857.79	1,306.80	1,713.08	2,525.66	851.89
<i>Current liabilities</i>					
Short-term borrowings	1,897.48	673.84	1,582.93	1,976.84	2,378.47
Current maturities of long- term borrowings	138.89	133.14	120.63	56.53	-
Trade payables	2,528.52	2,255.70	1,891.40	1,720.74	1,719.29
Other current liabilities	1,599.53	3,632.68	2,472.89	1,652.98	745.40
Short-term provisions	2,791.97	2,371.85	1,782.82	1,604.69	2,118.98
	8,956.39	9,067.21	7,850.67	7,011.78	6,962.14
TOTAL EQUITY AND LIABILITIES	29,068.71	25,058.09	21,893.69	19,814.75	18,978.62
ASSETS					
<i>Non-current assets</i>					
<i>Fixed assets</i>					
Tangible assets	2,617.02	2,610.36	2,225.54	2,170.15	1,662.76
Intangible assets	755.47	332.21	316.14	301.47	253.84
Capital work-in-progress	47.63	88.13	462.06	74.33	82.84
Intangible assets under development	195.37	418.27	321.15	210.07	113.90
	3,615.49	3,448.97	3,324.89	2,756.02	2,113.34
Non-current investments	3,953.11	3,146.15	4,019.29	4,037.28	4,077.67
Deferred tax assets (net)	-	-	57.93	20.29	57.48
Long-term loans and advances	2,387.26	2,534.84	1,931.57	1,355.39	1,783.75
	9,955.86	9,129.96	9,333.68	8,168.98	8,032.24
<i>Current assets</i>					
Current investments	622.32	1,402.11	217.30	355.59	1,030.75
Trade receivable	10,314.39	8,495.82	7,233.99	6,266.71	4,661.99
Unbilled revenue	1,434.59	1,064.61	1,014.02	821.66	1,142.06
Cash and bank	1,334.34	1,455.40	1,135.87	1,229.35	1,312.75
Short-term loans and advances	5,407.21	3,510.19	2,958.83	2,972.46	2,798.83
	19,112.85	15,928.13	12,560.01	11,645.77	10,946.38
TOTAL ASSETS	29,068.71	25,058.09	21,893.69	19,814.75	18,978.62

RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES

₹ Million

Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
Income					
Revenue from operations	47,444.03	46,439.40	36,134.21	29,595.55	22,837.41
Other income	887.80	(810.92)	167.35	89.99	710.09
Total income	48,331.83	45,628.48	36,301.56	29,685.54	23,547.50
Expenses					
Employee benefit expenses	28,064.72	26,456.57	21,085.73	17,700.80	14,153.66
Operating expenses	4,605.35	4,207.52	2,877.76	2,233.79	1,928.47
Sales, administration and other expenses	5,224.97	5,123.26	4,125.00	3,466.23	3,091.93
	37,895.04	35,787.35	28,088.49	23,400.82	19,174.06
Operating profit	10,436.79	9,841.13	8,213.07	6,284.72	4,373.44
Finance cost	104.18	297.69	197.67	358.03	92.56
Depreciation on tangible assets	659.89	502.68	452.77	408.07	385.29
Amortisation of intangible assets	247.41	180.23	169.70	157.77	209.70
	1,011.48	980.60	820.14	923.87	687.55
Profit before extraordinary items and tax	9,425.31	8,860.53	7,392.93	5,360.85	3,685.89
Profit from continuing operations before tax	9,425.31	8,282.58	6,625.04	5,360.85	3,685.89
Tax expense for continuing operations					
Current tax	1,602.82	1,650.04	1,621.05	1,276.01	603.04
Deferred tax	92.87	238.27	(37.65)	37.19	(46.31)
	1,695.69	1,888.31	1,583.40	1,313.20	556.73
Profit from continuing operations after tax	7,729.62	6,394.27	5,041.64	4,047.65	3,129.16
Profit from discontinued operations before tax	-	577.95	767.89	-	-
Tax expense for discontinued operations					
Current tax	-	127.05	193.83	-	-
Profit from discontinued operations after tax	-	450.90	574.06	-	-
Net profit before extraordinary item	7,729.62	6,845.17	5,615.70	4,047.65	3,129.16
Extraordinary item (net of tax)	-	2,177.88	-	-	-
Net profit after tax before restatement adjustments	7,729.62	9,023.05	5,615.70	4,047.65	3,129.16
Restatement adjustment:					
Change in accounting policy					
Amortisation of cost of long-term projects	6.35	9.52	(15.87)	11.62	33.08
Net profit before extraordinary item as restated	7,735.97	6,854.69	5,599.83	4,059.27	3,162.24
Extraordinary item (net of tax) as restated	-	2,177.88	-	-	-
Net profit after tax as restated	7,735.97	9,032.57	5,599.83	4,059.27	3,162.24

RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS

₹ Million

	Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
A.	Cash flow from operating activities					
	Net profit before tax as restated (excluding extraordinary items)	9,431.66	8,870.05	7,377.06	5,372.47	3,718.97
	Adjustments for:					
	Depreciation and amortisation	907.30	682.91	622.47	565.84	594.99
	Employees stock options amortised	-	2.28	7.38	19.21	43.03
	Interest (net)	38.23	10.34	45.54	29.67	(1.99)
	Unrealised foreign exchange loss (gain)	(558.20)	(536.06)	(700.13)	(362.69)	(409.84)
	(Profit) on sale of current investments	(119.62)	(60.48)	(84.47)	(82.42)	(106.66)
	Diminution in value of investment	-	-	-	-	0.03
	(Profit)/loss on sale of fixed assets	3.16	(3.46)	(2.88)	(3.39)	(12.23)
	Operating profit before working capital changes	9,702.53	8,965.58	7,264.97	5,538.69	3,826.30
	Changes in working capital					
	(Increase)/decrease in trade receivables	(2,226.73)	(1,454.27)	(1,204.56)	(1,197.83)	(967.11)
	(Increase)/decrease in other receivables	(44.55)	(580.58)	419.65	(219.17)	(546.15)
	Increase/(decrease) in trade & other payables	1,016.45	1,333.56	390.03	160.16	1,112.49
	(Increase)/decrease in working capital	(1,254.83)	(701.29)	(394.88)	(1,256.84)	(400.77)
	Cash generated from operations	8,447.70	8,264.29	6,870.09	4,281.85	3,425.53
	Direct taxes paid	(2,643.01)	(2,133.42)	(2,040.89)	(1,032.32)	(740.16)
	Net cash from operating activities (excluding extraordinary items)	5,804.69	6,130.87	4,829.20	3,249.53	2,685.37
B.	Cash flow from investing activities					
	Purchase of fixed assets	(1,114.24)	(957.94)	(1,244.81)	(1,232.17)	(907.94)
	Sale of fixed assets	24.99	154.40	56.36	27.05	57.17
	(Purchase)/sale of current investments(net)	899.41	(1,124.33)	242.76	797.97	615.75
	Disinvestment in subsidiary	-	1,202.97	-	-	-
	Investment in subsidiaries	(806.96)	(329.83)	(2.01)	-	(2,806.32)
	Interest received	17.99	84.18	41.69	47.18	64.88
	Net cash used in investing activities before extra ordinary items	(978.81)	(970.55)	(906.01)	(359.97)	(2,976.46)
	Extraordinary items					
	Proceeds from sale of PES buisness (net)	-	3,796.97	-	-	-
	Loss on winding up of subsidiary	-	(1,202.97)	-	-	-
	Net cash from investing activities after extra ordinary items	(978.81)	1,623.45	(906.01)	(359.97)	(2,976.46)
C.	Cash flow from financing activities					
	Proceeds from/(repayment) of borrowings	1,040.09	(984.57)	(445.38)	64.28	1,947.66
	Interest paid	(56.22)	(94.52)	(87.23)	(76.85)	(62.89)
	Dividend paid	(4,805.25)	(5,514.75)	(3,031.50)	(2,547.75)	(1,515.75)

	Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
	Tax on dividend paid	(1,125.56)	(840.95)	(452.56)	(412.64)	(304.89)
	Net cash from financing activities	(4,946.94)	(7,434.79)	(4,016.67)	(2,972.96)	64.13
	Net increase in cash and cash equivalents	(121.06)	319.53	(93.48)	(83.40)	(226.96)
	Cash and cash equivalents at March 31 of previous year	1,455.40	1,135.87	1,229.35	1,312.75	1,539.71
	Cash and cash equivalents at March 31	1,334.34	1,455.40	1,135.87	1,229.35	1,312.75

RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

₹ Million

Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
EQUITY AND LIABILITIES					
<i>Shareholders' funds</i>					
Share capital	161.25	161.25	161.25	161.25	161.25
Reserves and surplus	20,102.23	15,941.68	13,226.74	10,892.35	11,196.48
Total equity	20,263.48	16,102.93	13,387.99	11,053.60	11,357.73
Minority interest	3.88	1.98	1.21	-	-
<i>Non-current liabilities</i>					
Long-term borrowings	138.89	266.29	361.90	452.22	-
Deferred tax liabilities	238.03	413.85	207.20	118.28	27.42
Other long-term liabilities	538.35	729.11	1,256.88	2,022.19	815.66
Long-term provisions	103.71	131.06	94.30	51.25	36.23
	1,018.98	1,540.31	1,920.28	2,643.94	879.31
<i>Current liabilities</i>					
Short-term borrowings	1,897.48	700.70	1,853.88	2,179.62	2,157.23
Current maturities of long-term borrowings	138.89	133.14	120.63	56.53	-
Trade payables	2,719.47	2,414.80	2,065.18	2,015.02	2,079.83
Other current liabilities	1,723.48	3,735.89	2,520.34	1,712.33	836.66
Short-term provisions	2,815.44	2,376.64	1,786.04	1,618.44	2,127.06
	9,294.76	9,361.17	8,346.07	7,581.94	7,200.78
TOTAL EQUITY AND LIABILITIES	30,581.10	27,006.39	23,655.55	21,279.48	19,437.82
ASSETS					
<i>Non-current assets</i>					
<i>Fixed assets</i>					
Tangible assets	2,749.82	2,794.65	2,449.87	2,263.44	1,718.90
Intangible assets	4,084.52	3,693.11	4,540.84	4,058.70	3,514.13
Capital work-in-progress	53.33	94.43	483.22	100.55	82.84
Intangible assets under development	198.45	472.74	940.34	975.15	679.68
	7,086.12	7,054.93	8,414.27	7,397.84	5,995.55
Non-current investments	-	-	-	20.00	60.39
Deferred tax assets	10.29	1.89	59.07	21.30	58.06
Long-term loans and advances	2,439.79	2,534.84	1,931.57	1,366.79	1,794.73
	9,536.20	9,591.66	10,404.91	8,805.93	7,908.73
<i>Current assets</i>					
Current investments	1,035.51	1,687.77	486.63	570.51	1,031.39
Inventory	-	-	-	-	3.08
Trade receivable	10,901.16	9,309.86	7,410.52	6,845.50	5,260.25
Unbilled revenue	1,544.50	1,194.16	1,333.45	895.05	1,177.61
Cash and bank	2,009.21	1,589.11	1,193.72	1,321.09	1,462.41
Short-term loans and advances	5,554.52	3,633.83	2,826.32	2,841.40	2,594.35
	21,044.90	17,414.73	13,250.64	12,473.55	11,529.09
TOTAL ASSETS	30,581.10	27,006.39	23,655.55	21,279.48	19,437.82

RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES

₹ Million

Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
Income					
Revenue from operations	49,780.36	49,204.98	38,514.39	31,820.15	23,911.76
Other income	915.00	(833.18)	221.04	95.84	715.11
Total income	50,695.36	48,371.80	38,735.43	31,915.99	24,626.87
Expenses					
Employee benefit expenses	29,242.73	27,581.57	22,485.93	18,635.30	14,485.50
Operating expenses	4,885.63	4,891.51	2,920.00	2,575.28	2,217.97
Sales, administration and other expenses	5,607.43	5,259.07	4,403.55	3,711.94	3,270.19
	39,735.79	37,732.15	29,809.48	24,922.52	19,973.66
Operating profit	10,959.57	10,639.65	8,925.95	6,993.47	4,653.21
Finance cost	104.19	305.34	208.12	342.42	96.48
Depreciation on tangible assets	741.55	589.03	508.88	449.80	406.28
Amortisation of intangible assets	837.85	710.72	722.80	598.83	400.47
	1,683.59	1,605.09	1,439.80	1,391.05	903.23
Profit before extraordinary items and tax	9,275.98	9,034.56	7,486.15	5,602.42	3,749.98
Profit from continuing operations before tax	9,266.26	8,541.36	6,778.37	5,602.42	3,749.98
Tax expense for continuing operations					
Current tax	1,630.45	1,681.03	1,631.00	1,289.27	641.48
Deferred tax	35.76	261.85	46.99	119.79	(54.27)
	1,666.21	1,942.88	1,677.99	1,409.06	587.21
Profit from continuing operations after tax	7,600.05	6,598.48	5,100.38	4,193.36	3,162.77
Profit from discontinued operations before tax	9.72	493.20	707.78	-	-
Tax expense for discontinuing operations					
Current tax	1.69	129.25	191.54	-	-
Profit from discontinued operations after tax	8.03	363.95	516.24	-	-
Profit for the year before minority interest	7,608.08	6,962.43	5,616.62	4,193.36	3,162.77
Minority interest	1.90	0.77	0.55	-	-
Net profit before extraordinary item	7,606.18	6,961.66	5,616.07	4,193.36	3,162.77
Extraordinary item (net of tax)	79.08	3,002.42	-	-	-
Net profit after tax before restatement adjustments	7,685.26	9,964.08	5,616.07	4,193.36	3,162.77
Restatement adjustments:					
Changes in accounting policies					
Amortisation of goodwill	-	(85.08)	137.06	132.89	107.77
Provision for tax	-	-	-	(6.39)	6.39
Amortisation of cost of long-term projects	6.35	9.52	(15.87)	11.62	33.08

Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
	6.35	(75.56)	121.19	138.12	147.24
Extraordinary item					
Goodwill written off	-	(605.10)			
Net profit before extraordinary item as restated	7,612.53	6,886.10	5,737.26	4,331.48	3,310.01
Extraordinary item (net of tax) as restated	79.08	2,397.32	-	-	-
Net profit after tax as restated	7,691.61	9,283.42	5,737.26	4,331.48	3,310.01

RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS

₹ Million

	Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
A.	Cash flow from operating activities					
	Net profit before tax as restated (excluding extraordinary items)	9,282.33	8,959.00	7,607.34	5,740.54	3,897.22
	Adjustments for:					
	Depreciation and amortisation	1,579.41	1,384.83	1,094.62	915.74	698.98
	Employees stock options amortised	-	2.28	7.38	19.21	43.03
	Interest (net)	33.42	27.26	67.70	26.66	(0.35)
	Unrealised foreign exchange loss (gain)	(568.72)	(516.63)	(202.23)	(375.36)	(444.51)
	(Profit) on sale of current investments	(141.26)	(79.58)	(103.75)	(87.03)	(106.66)
	Diminution in value of investment	-	-	-	-	0.03
	(Profit)/loss on sale of fixed assets	7.18	(1.81)	(2.98)	(3.32)	(12.23)
	Translation reserve	(80.26)	51.72	524.13	(403.14)	75.45
	Operating profit before working capital changes	10,112.10	9,827.07	8,992.21	5,833.30	4,150.96
	Changes in working capital					
	(Increase)/decrease in trade receivables	(1,979.71)	(1,906.36)	(1,048.97)	(1,217.42)	(973.39)
	(Increase)/decrease in inventory	-	-	-	3.08	0.19
	(Increase)/decrease in other receivables	(107.57)	(833.78)	470.82	(266.73)	(605.55)
	Increase/(decrease) in trade & other payables	1,164.84	1,332.60	(241.25)	79.21	1,260.40
	(Increase)/decrease in working capital	(922.44)	(1,407.54)	(819.40)	(1,401.86)	(318.35)
	Cash generated from operations	9,189.66	8,419.53	8,172.81	4,431.44	3,832.61
	Direct taxes paid	(2,767.12)	(2,140.92)	(2,096.32)	(1,068.26)	(738.53)
	Net cash from operating activities before extraordinary item	6,422.54	6,278.61	6,076.49	3,363.18	3,094.08
B.	Cash flow from investing activities					
	Purchase of fixed assets	(1,964.04)	(1,183.28)	(2,535.83)	(1,638.52)	(3,758.50)
	Sale of fixed assets	25.13	233.62	56.47	44.47	57.58
	(Purchase)/sale of current investments (net)	793.52	(1,121.56)	207.63	588.29	616.10
	Interest received	22.81	74.91	29.98	34.59	67.16
	Net cash used in investing activities before extraordinary items	(1,122.58)	(1,996.31)	(2,241.75)	(971.17)	(3,017.66)
	Extraordinary item					
	Proceeds from sale of PES Business(net)	93.95	3,799.62	-	-	-
	Net cash used in investing activities after extraordinary items	(1,028.63)	1,803.31	(2,241.75)	(971.17)	(3,017.66)
C.	Cash flow from financing activities					
	Proceeds from/(repayment) of borrowings	1,013.23	(1,228.66)	(377.21)	488.31	1,489.98
	Interest paid	(56.23)	(102.17)	(97.68)	(61.25)	(66.81)
	Dividend paid	(4,805.25)	(5,514.75)	(3,031.50)	(2,547.75)	(1,515.75)
	Tax on dividend paid	(1,125.56)	(840.95)	(456.93)	(412.64)	(304.89)
	Proceeds from issue of shares to minority shareholders	-	-	1.21	-	-

	Particulars	For Financial Year 2015	For Financial Year 2014	For Financial Year 2013	For Financial Year 2012	For Financial Year 2011
	Net cash from financing activities	(4,973.81)	(7,686.53)	(3,962.11)	(2,533.33)	(397.47)
	Net increase in cash and cash equivalents	420.10	395.39	(127.37)	(141.32)	(321.05)
	Cash and cash equivalents at March 31 of previous year	1,589.11	1,193.72	1,321.09	1,462.41	1,783.46
	Cash and cash equivalents at March 31	2,009.21	1,589.11	1,193.72	1,321.09	1,462.41

THE OFFER

Offer of Equity Shares⁽¹⁾	Up to 17,500,000 Equity Shares
<i>Of which</i>	
A) QIB portion ⁽²⁾⁽³⁾	[●] Equity Shares
<i>Of which</i>	
Anchor Investor Portion	Up to [●] Equity Shares
Available for allocation to Mutual Funds only (5% of the QIB category (excluding the Anchor Investor Portion))	[●] Equity Shares
Balance of QIB category for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Category ⁽³⁾	Not less than [●] Equity Shares
C) Retail Category ⁽³⁾	Not less than [●] Equity Shares
Equity Shares pre and post Offer	
Equity Shares outstanding prior to the Offer	161,250,000 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares

(1) The Equity Shares held by the Selling Shareholder in the Offer have been held by them for more than a period of one year as on date of the Draft Red Herring Prospectus. The Offer has been authorised by the Selling Shareholder pursuant to its board resolution passed on July 31, 2015.

(2) Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Category 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. For further details, see "Offer Procedure" beginning on page 364.

(3) Under-subscription, if any, in any category, except in the QIB category, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange.

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

GENERAL INFORMATION

Our Company was incorporated as L&T Information Technology Limited on December 23, 1996 at Mumbai as a public limited company under the Companies Act, 1956. The RoC issued the certificate of incorporation dated December 23, 1996. Our Company received the certificate of commencement of business on March 25, 1997. Subsequently, the name of our Company was changed to Larsen & Toubro Infotech Limited pursuant to a special resolution passed by our Shareholders at the EGM held on June 11, 2001. Pursuant to the change of name, a fresh certificate of incorporation was issued to our Company by the RoC on June 25, 2001.

For details of the business of our Company, see “Our Business” beginning on page 119.

Registered Office of our Company

L&T House
Ballard Estate
Mumbai 400 001
Tel: (91 22) 6752 5656
Fax: (91 22) 6752 5893
E-mail: investor@lntinfotech.com
Website: www.lntinfotech.com
Corporate Identification Number: U72900MH1996PLC104693
Registration Number: 104693

Corporate Office of our Company

L&T Technology Center,
Gate No.5, Saki Vihar Road
Powai
Mumbai 400 072
Tel: (91 22) 6776 6776
Fax: (91 22) 2858 1130

Address of the RoC

Our Company is registered with the Registrar of Companies, Maharashtra, situated at 100, Everest, Marine Drive, Mumbai 400 002.

Board of Directors

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

Name	Designation	DIN	Address
A. M. Naik	Non-Executive Chairman	00001514	High Trees, 54 Pali Hill, Bandra (W), Mumbai 400 050
Sanjay Jalona	Chief Executive Officer and Managing Director	07256786	79/9, Sunny Brooks, Sarjapur Road, Bengaluru 560 035
S. N. Subrahmanyam	Non-Executive Director	02255382	E-116, 16 th Cross Street, Besant Nagar, Chennai 600 090
Samir Desai	Independent Director	01182256	7050 NW 126 Terrace, Parkland, Florida 33076, United States of America

Name	Designation	DIN	Address
M. M. Chitale	Independent Director	00101004	4/46, Vishnuprasad Society, Shahaji Raje Marg, Vile Parle (East), Mumbai 400 057
Vedika Bhandarkar	Independent Director	00033808	B-8, Sea Face Park, 50 Bhulabhai Desai Road, Mumbai 400 026

For further details of our Directors, see “Our Management” beginning on page 157.

Chief Financial Officer

A. K. Sonthalia
L&T Technology Center
Gate No.5, Saki Vihar Road
Powai
Mumbai 400 072
Tel: (91 22) 6776 6776
Fax: (91 22) 2858 1130
E-mail: cfo@lntinfotech.com

Company Secretary and Compliance Officer

S. K. Bhatt
L&T Technology Center,
Gate No.5, Saki Vihar Road
Powai
Mumbai 400 072
Tel: (91 22) 6776 6776
Fax: (91 22) 2858 1130
E-mail: investor@lntinfotech.com

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

Book Running Lead Managers

Citigroup Global Markets India Private Limited

1202, 12th Floor
First International Financial Centre, G-Block
Bandra Kurla Complex
Bandra East
Mumbai 400 051
Tel: (91 22) 6175 9999
Fax: (91 22) 6175 9961
E-mail: lntinfotech.ipo@citi.com
Website: www.online.citibank.co.in/rhtm/citigroupglob
alscreen1.htm
Investor grievance e-mail: investors.cgmib@citi.com
Contact person : Gursartaj Singh Nijjar
SEBI registration number: INM000010718

Kotak Mahindra Capital Company Limited

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

Barclays Bank PLC

801/808 Ceejay House
Shivsagar Estate
Dr. A. Besant Road, Worli

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg
Churchgate
Mumbai 400 020

Mumbai 400 018
Tel: (91 22) 6719 6001
Fax: (91 22) 6719 6187
E-mail: LnTInfotechIPO@barclays.com
Website: <http://www.barclays.in/investment-banking/index.html>
Investor grievance e-mail:
BBPLCconcerns@barclays.com
Contact person: Raahi Kapadia
SEBI registration number: INM000002129

Tel : (91 22) 2288 2460
Fax : (91 22) 2282 6580
E-mail: LnTinfotech.ipo@icicisecurities.com
Investor grievance e-mail:
customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact persons: Prem Dcunha / Anurag Byas
SEBI Registration No.: INM000011179

Syndicate Members

[•]

Indian Legal Counsel to our Company

Cyril Amarchand Mangaldas

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Indian Legal Counsel to the BRLMs

S&R Associates

One Indiabulls Centre
1403, Tower 2B
841 Senapati Bapat Marg
Lower Parel
Mumbai 400 013
Tel: (91 22) 4302 8000
Fax: (91 22) 4302 8001

International Legal Counsel to the BRLMs

Clifford Chance Pte Ltd

12 Marina Boulevard
25th Floor, Marina Bay Financial Centre Tower 3
Singapore 018 982
Tel: (65) 6410 2200
Fax: (65) 6410 2288

Auditors to our Company

Sharp & Tannan, Chartered Accountants

Ravindra Annexe, 194
Churchgate Reclamation
Dinshaw Vachha Road
Churchgate, Mumbai 400 020
Tel: (91 22) 2204 7722/23
Fax: (91 22) 6633 8352
E-mail: admin.mumbai@sharpandtannan.com
Firm Registration number: 109982W

Bankers to the Offer and/or Escrow Collection Banks

[•]

Refund Bankers

[●]

Lenders to our Company

Citibank N.A.

First International Financial Centre (FIFC)
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 6175 5268
Fax: (91 22) 4006 5847
E-mail: nandini.basu@citi.com
Website: www.citibank.co.in
Contact person: Nandini Basu

BNP PARIBAS

BNP Paribas House
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 6196 4000
Fax: (91 22) 6196 5057
E-mail: sonal.shah@asia.bnpparibas.com
Website: www.bnpparibas.co.in
Contact person: Sonal Shah

Bank of America N.A.

18th Floor, Express Towers
Nariman Point
Mumbai 400 021
Tel: (91 22) 6632 3000
Fax: (91 22) 2287 0981
E-mail: india.clientservices@baml.com
Website: www.bofaml.com/en-us/content/apac-india
Contact person: Vivek Jain

JP Morgan Chase Bank, N.A., Mumbai Branch

J.P. Morgan Tower, 7th Floor
Off CST Road, Kalina
Santacruz East
Mumbai 400 098
Tel: (91 22) 6157 3755
Fax: (91 22) 6157 3911
E-mail: pd.singh@jpmorgan.com
Website: www.jpmorgan.com
Contact person: PD Singh

[●]

Standard Chartered Bank

Crescenzo, C38/39, G-Block,
6th Floor,
Opp. MCA Club
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Tel: (91 22) 6115 8389 / 98200 02020
Fax: (91 22) 6115 7800
E-mail: ramesh.nainani@sc.com
Website: www.standardchartered.com
Contact person: Ramesh Nainani

Barclays Bank PLC

801/808 Ceejay House,
Shivsagar Estate, Dr. A. Besant Road,
Worli
Mumbai 400 018
Tel: (91 22) 6719 6000
Fax: (91 22) 6719 6187
E-mail: taranjit.jaswal@barclays.com
Website: www.barclays.in
Contact person: Taranjit Jaswal

The Hongkong and Shanghai Banking Corporation Limited

52/60, M G Road
Fort
Mumbai 400 001
Tel: (91 22) 2268 1180
Fax: (91 22) 6653 6014
E-mail: info@hsbc.co.in
Website: www.hsbc.co.in
Contact person: Piyush Agarwal

Bankers to our Company

Citibank N.A.

First International Financial Centre (FIFC)
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 6175 5268
Fax: (91 22) 4006 5847
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Website: www.citibank.co.in
Contact person: Nandini Basu

Barclays Bank PLC

801/808 Ceejay House
Shivsagar Estate, Dr. A. Besant Road
Worli, Mumbai 400 018
Tel: (91 22) 6719 6000
Fax: (91 22) 6719 6187
E-mail: taranjit.jaswal@barclays.com
Website: www.barclays.in
Contact person: Taranjit Jaswal

The Hongkong and Shanghai Banking Corporation Limited

52/60, M G Road
Fort, Mumbai 400 001
Tel: (91 22) 2268 1180
Fax: (91 22) 6653 6014
E-mail: info@hsbc.co.in
Website: www.hsbc.co.in
Contact person: Piyush Agarwal

Registrar to the Offer

Sharepro Services (India) Private Limited

13 AB, Samhita Warehousing Complex
2nd floor, Sakinaka Telephone Exchange Lane
Andheri - Kurla Road
Sakinaka
Andheri (East)
Mumbai 400 072
Tel: (91 22) 6191 5400
Fax: (91 22) 6191 5444
E-mail: prakashk@shareproservices.com
Investor grievance e-mail: ltinfo@shareproservices.com
Website: www.shareproservices.com
Contact person: Prakash A Khare
SEBI Registration No.: INR000001476

Standard Chartered Bank

Crescenzo, C38/39, G-Block
6th Floor
Opp. MCA Club
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 6115 8389 / 98200 02020
Fax: (91 22) 6115 7800
E-mail: ramesh.nainani@sc.com
Website: www.standardchartered.com
Contact person: Ramesh Nainani

ICICI Bank Limited

ICICI Bank Towers
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Tel: (91 22) 2653 6555
Fax: (91 22) 2653 1374
E-mail: pankaj.agrawal@icicibank.com
Website: www.icicibank.com
Contact person: Pankaj Agrawal

All grievances relating to the non-ASBA process may be addressed to the Registrar to the Offer, giving full details

such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Syndicate Member at the Specified Locations or Registered Broker at the Broker Centre where the Bid cum Application Form was submitted.

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

Further, with respect to the Bid cum Application Forms submitted with the Registered Brokers, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/ information mentioned hereinabove.

Self Certified Syndicate Banks

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

Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipo/ipo_mem_terminal.htm, respectively. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of SEBI (www.sebi.gov.in) and updated from time to time.

Experts

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

Our Company has received written consent from the Statutory Auditors namely, Sharp & Tannan, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” defined under Section 2(38) of the Companies Act, 2013 in respect of the report of the Auditors dated July 27, 2015 on the Restated Financial Statements, and the statement of tax benefits dated September 18, 2015 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. As the Equity Shares in the Offer will not be registered under the U.S. Securities Act, any references to the term “expert” herein and the Statutory Auditor’s consent to be named as an “expert” to the Offer are not in the context of a U.S. registered offering of securities.

Monitoring Agency

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

Appraising Entity

No appraising agency has been appointed in respect of any project of our Company.

Inter-se allocation of Responsibilities:

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

Sr. No.	Activity	Responsibility	Coordination
1.	Capital structuring with the relative components and formalities, such as composition of debt and equity, type of instruments, etc	Citi, Kotak, Barclays and I-Sec	Citi
2.	Pre Offer – Due Diligence on our Company, DRHP Drafting, and compliance and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	Citi, Kotak, Barclays and I-Sec	Citi
3.	Coordinating approval of all statutory advertisement and publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc	Citi, Kotak, Barclays and I-Sec	Kotak
4.	Appointment of Bankers to the Offer, printers, public relations agency and other intermediaries viz. Registrar etc	Citi, Kotak, Barclays and I-Sec	Barclays
5.	Preparation of the roadshow presentation	Citi, Kotak, Barclays and I-Sec	Citi
6.	Preparation of FAQ	Citi, Kotak, Barclays and I-Sec	Barclays
7.	International Institutional marketing which will cover, <i>inter alia</i> , - Finalising the list and division of investors for one to one meetings; and - Finalizing road show schedule and investor meeting schedules	Citi, Kotak, Barclays and I-Sec	Citi
8.	Domestic Institutional marketing which will cover, <i>inter alia</i> , finalising domestic road show schedule and investor meeting schedules	Citi, Kotak, Barclays and I-Sec	Kotak
9.	- Conduct Non-Institutional Marketing of the Offer; and - Finalising Media and Public Relations Strategy	Citi, Kotak, Barclays and I-Sec	I-Sec
10.	- Conduct Retail Marketing of the Offer; - Finalising centers for holding conferences for brokers etc.; - Finalising collection centers; and - Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the stationery	Citi, Kotak, Barclays and I-Sec	I-Sec
11.	Finalisation of pricing in consultation with our Company and the selling shareholders (if any)	Citi, Kotak, Barclays and I-Sec	Citi
12.	Managing the book, co-ordination with the Stock Exchanges for book building software, bidding terminals and mock trading	Citi, Kotak, Barclays and I-Sec	Barclays
13.	Post-Bidding activities - management of escrow accounts, co-	Citi, Kotak, Barclays	I-Sec

Sr. No.	Activity	Responsibility	Coordination
	coordinating underwriting, co-ordination of non-institutional allocation, announcement of allocation and dispatch of refunds to Bidders, etc	and I-Sec	

Credit Rating

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

Trustees

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

Book Building Process

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

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

In the event that the Bids received from Retail Individual Bidders exceeds [●] Equity Shares, then the maximum number of Retail Individual Bidders who can be Allotted the minimum Bid Lot will be computed by dividing the total number of the Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot ("Maximum RIB Allottees"). The Allotment to Retail Individual Bidders will then be made in the following manner:

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

In terms of Rule 19(2)(b)(iii) of the SCRR, this is an Offer for at least 10% of the post Offer paid-up Equity Share capital of our Company. The Offer is being made under Regulation 26(1) of the SEBI Regulations and through a Book Building Process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholder may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price, out of which atleast one-third will be available for allocation to domestic Mutual Funds only. In the event of non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the net QIB Portion.

5% of the net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be allocated to QIBs on a proportionate basis, 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 Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange. For further details, see “Offer Procedure” and “Offer Structure” on pages 364 and 359, respectively.

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

In accordance with the SEBI Regulations, QIBs Bidding in the QIB Portion and Non-Institutional Bidders Bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until finalisation of the Basis of Allotment. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis. For further details, see “Offer Structure” and “Offer Procedure” beginning on pages 359 and 364, respectively.

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

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

Illustration of Book Building Process and Price Discovery Process

Investors should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

Steps to be taken by Bidders for Bidding:

1. Check eligibility for making a Bid (see “Offer Procedure – Who Can Bid?” on page 365);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Except for Bids (i) on behalf of the Central or the State Governments and the officials appointed by courts, who, in terms of the circular dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see “Offer Procedure- Field Number 2: PAN number of Sole/First Bidder/Applicant” from pages 382 to 383);
4. Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the Bid cum Application Form;
5. Bids by QIBs (except Anchor Investors) and the Non-Institutional Bidders shall be submitted only through the ASBA process;
6. Bids by non-ASBA Bidders will have to be submitted to the Syndicate (or their authorised agents) at the bidding centers or the Registered Brokers at the Broker Centers; and
7. Bids by ASBA Bidders will have to be submitted to the Designated Branches or the Syndicate at the Specified Locations or the Registered Brokers at the Broker Centres in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission to the SCSB or the Syndicate or the Broker to ensure that the Bid cum Application Form submitted by the ASBA Bidders is not rejected. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of SEBI (www.sebi.gov.in) and updated from time to time.

For further details for the method and procedure for Bidding, see “Offer Procedure” beginning from page 364.

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

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholder propose to enter into an Underwriting Agreement with the

Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

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

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

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

The above-mentioned is indicative underwriting and will be finalised after pricing and actual allocation and subject to the provisions of the SEBI Regulations.

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

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

Notwithstanding the above, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for or purchase of the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

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

		Aggregate value at face value	Aggregate value at Offer Price
A	AUTHORISED SHARE CAPITAL		
	240,000,000 Equity Shares ⁽¹⁾	240,000,000	
B	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER		
	161,250,000 Equity Shares ⁽¹⁾	161,250,000	
C	PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS		
	Offer for Sale of up to 17,500,000 Equity Shares ⁽²⁾	17,500,000	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER		
	[●] Equity Shares	[●]	
E	SECURITIES PREMIUM ACCOUNT		
	Before the Offer	1,181,240,000	
	After the Offer	[●]	

(1) On September 4, 2015, the Bombay High Court has approved the ISRC Scheme. In accordance with the ISRC Scheme, with effect from September 21, 2015, the authorised share capital of our wholly owned subsidiary, ISRC, has been added to the authorised share capital of our Company and accordingly, the authorised share capital of our Company is ₹ 240,000,000. No Equity Shares will be issued pursuant to the ISRC Scheme. For details, see "History and Certain Corporate Matters" on page 150.

(2) The Offer for Sale has been authorised by the Selling Shareholder pursuant to its board resolution passed on July 31, 2015. The Equity Shares to be offered in the Offer have been held for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus and hence are eligible for being offered for sale in the Offer.

Changes in the Authorised Share Capital of our Company

- The initial authorised share capital of our Company was sub-divided from ₹ 150,000,000 comprising of 15,000,000 equity shares of ₹ 10 each to ₹ 150,000,000 comprising of 30,000,000 equity shares of face value of ₹ 5 each with effect from March 31, 2002 pursuant to a resolution passed by our Shareholders on March 30, 2002.
- The authorised share capital of our Company of ₹ 150,000,000 divided into 30,000,000 equity shares of face value of ₹ 5 each was increased to ₹ 152,500,000 divided into 30,500,000 equity shares of ₹ 5 each with effect from June 1, 2003 pursuant to a resolution passed by our Shareholders on May 6, 2003.
- The authorised share capital of our Company of ₹ 152,500,000 divided into 30,500,000 equity shares of ₹ 5 each was increased to ₹ 163,750,000 divided into 32,750,000 Equity Shares of ₹ 5 each pursuant to a resolution passed by our Shareholders on December 7, 2006.
- The authorised share capital of our Company was sub-divided from ₹ 163,750,000 comprising of 32,750,000 equity shares of ₹ 5 each to ₹ 163,750,000 comprising of 163,750,000 Equity Shares of ₹ 1 each pursuant to a resolution passed by our Shareholders on June 22, 2015.
- The authorised share capital of our Company of ₹ 163,750,000 divided into 163,750,000 Equity Shares of ₹ 1 each was increased to ₹ 200,000,000 divided into 200,000,000 Equity Shares of ₹ 1 each pursuant to a resolution passed by our Shareholders on June 22, 2015.
- The authorised share capital of our Company of ₹ 200,000,000 divided into 200,000,000 Equity Shares of ₹

1 each was increased to ₹ 240,000,000 divided into 240,000,000 Equity Shares of ₹ 1 each with effect from September 21, 2015, pursuant to the approval of the ISRC Scheme by the Bombay High Court vide its order dated September 4, 2015.

Notes to the Capital Structure

1. Equity Share Capital history of our Company

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

Date of Allotment of equity shares	No. of equity shares Allotted	Face value (₹)	Issue Price (₹)	Reason for allotment	Consideration	Cumulative No. of equity shares	Cumulative paid-up Equity capital (₹)	Cumulative securities premium (₹)
December 23, 1996	7	10	10	Subscription to the Memorandum ⁽¹⁾	Cash	7	70	-
March 30, 1998	14,999,993	10	10	Rights issue ⁽²⁾	Cash	15,000,000	150,000,000	-
March 31, 2002	Pursuant to the resolution passed by our Shareholders on March 30, 2002, our Company sub-divided its equity shares from face value of ₹ 10 each to face value of ₹ 5 each with effect from March 31, 2002. Therefore, the cumulative number of equity shares pursuant to sub-division was 30,000,000 of face value of ₹ 5 each.							
March 28, 2007	2,250,000	5	530	Rights issue ⁽³⁾	Cash	32,250,000	161,250,000	1,181,240,000
June 22, 2015	Pursuant to the resolution of our Shareholders on June 22, 2015, our Company sub-divided its equity shares from face value of ₹ 5 each to face value of ₹ 1 each. Therefore, the cumulative number of Equity Shares pursuant to sub-division is 161,250,000.							

- (1) Seven share certificates for one equity share each were issued to our Promoter and six individuals who held the equity shares of our Company as nominees of our Promoter, pursuant to the board resolution passed on January 13, 1997.
- (2) 14,999,993 equity shares were allotted by our Company to our Promoter by way of rights issue pursuant to board resolution passed on March 30, 1998.
- (3) 2,250,000 equity shares of our Company were allotted by our Company to our Promoter by way of rights issue pursuant to board resolution passed on March 28, 2007. The equity shares of our Company were partly paid at the time of allotment and a payment of ₹ 235.55 per equity share was made on application. Subsequently, calls for such partly paid equity shares of our Company were made for the remaining amount in the tranches of ₹ 90.00, ₹ 71.94, ₹ 98.15 and ₹ 34.35 per equity share and the equity shares were fully paid up on September 15, 2009.

(b) *The details of the Equity Shares allotted for consideration other than cash:*

Our Company has not allotted any Equity Shares for consideration other than cash.

2. History of the Equity Share Capital held by our Promoter

As on the date of this Draft Red Herring Prospectus, our Promoter holds 161,250,000 Equity Shares (including 60 Equity Shares held by six holders jointly as nominees of our Promoter), constituting 100% of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoter's shareholding is set out below.

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

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

Date of the Transaction	Nature of Transaction	No. of equity shares	Nature of Consideration	Face Value (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
December 23, 1996	Subscription to the Memorandum ⁽¹⁾	7	Cash	10	10	0.00	[●]
March 30, 1998	Rights issue	14,999,993	Cash	10	10	9.30	[●]
March 28, 2007	Rights issue	2,250,000 ⁽²⁾	Cash	5	530	1.40	[●]
Total		161,250,000⁽³⁾				100	[●]

- (1) This includes six individuals who held the equity shares of our Company as nominees of our Promoter. However, on March 30, 1998, one equity share was transferred by each of Sudhakar Kulkarni, Mohan Wagh, A.M. Naik, Anumolu Ramakrishna, Mohan Karnani, Y. M. Deosthalee each to the joint shareholding of Sudhakar Kulkarni and our Promoter, Mohan Wagh and our Promoter, A.M. Naik and our Promoter, Anumolu Ramakrishna and our Promoter, Mohan Karnani and our Promoter, Y. M. Deosthalee and our Promoter, respectively.
- (2) Pursuant to the resolution passed by our Shareholders on March 30, 2002, our Company sub-divided its equity shares from face value of ₹ 10 each to face value of ₹ 5 each with effect from March 31, 2002. Therefore, the cumulative number of equity shares held by our Promoter (including equity shares held jointly as nominees of our Promoter) as on March 28, 2007 was 32,250,000 equity shares.
- (3) Pursuant to the resolution passed by our Shareholders on June 22, 2015, our Company sub-divided its equity shares from face value of ₹ 5 each to face value of ₹ 1 each. Therefore, the cumulative number of Equity Shares held by our Promoter as on date of this Draft Red Herring Prospectus is 161,250,000 (including 60 Equity Shares held jointly as nominees of our Promoter).

The equity shares allotted by our Company to our Promoter on December 23, 1996 and March 30, 1998 were fully paid-up as on the respective dates. The equity shares allotted by our Company to our Promoter on March 28, 2007 were fully paid up on September 15, 2009. Our Promoter has confirmed to our Company and the BRLMs that the Equity Shares held by our Promoter which shall be locked-in for a period of three years as Promoter's contribution have been financed from its internal accruals and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose. As of the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoter are pledged.

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

Pursuant to the SEBI Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter, except for the Equity Shares offered under the Offer for Sale, shall be locked in as minimum Promoter's contribution for a period of three years from the date of Allotment and our Promoter's shareholding in excess of 20% shall be locked in for a period of one year. The details of the Equity Shares which are eligible for such lock-in for a period of three years from the date of Allotment are set out in the following table:

Date of the Transaction	Nature of Transaction	No. of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price/ Transfer Price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the pre- Offer capital (%)	Date up to which the Equity shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total		[●]						

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

computation of Promoter's contribution in terms of Regulation 33 of the SEBI Regulations. In this connection, we confirm the following:

- (i). The Equity Shares offered for Promoter's contribution have not been acquired in the last three years for (a) consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) bonus shares out of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;
- (ii). The Promoter's contribution does not include any Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii). Our Company has not been formed by the conversion of a partnership firm into a Company;
- (iv). The Equity Shares held by the Promoter and offered for Promoter's contribution are not subject to any pledge; and
- (v). All the Equity Shares held by the Promoter are held in dematerialised form.

Other requirements in respect of lock-in:

In addition to 20% of the fully diluted post-Offer shareholding of our Company held by our Promoter and locked-in for three years as specified above and other than the Equity Shares subscribed to and Allotted pursuant to the Offer for Sale and Equity Shares allotted to the existing employees of our Company under the Existing Employee Stock Option Plans and the ESOP Scheme, 2015, the entire pre-Offer equity share capital of our Company, will be locked-in for a period of one year from the date of Allotment.

The Equity Shares held by our Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

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

Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

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

3. Shareholding of our Promoter and Promoter Group in our Company

Our Promoter holds 100% of the total Equity Share capital of our Company (including 60 Equity Shares held by six joint holders as nominees of our Promoter). Our Promoter Group does not hold any Equity Shares in our Company. R. Shankar Raman, a director of our Promoter, holds ten Equity Shares jointly as a nominee of our Promoter.

4. Shareholding Pattern of our Company

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

Category Code	Category of Shareholder	Number of Shareholders	Pre- Offer				Post- Offer				Pre- Offer		Post Offer	
			Total Number of Shares	Number of Shares held in Dematerialised form	Total Shareholding as a percentage of total number of shares		Total Number of Shares	Number of Shares held in Dematerialised form	Total Shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered			
					As a Percentage of (A+B)	As a Percentage of (A+B+C)			As a Percentage of (A+B)	As a Percentage of (A+B+C)	No. of Shares	As a Percentage	No. of Shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)	(XIII)= (XII)/(IV)* 100	(XIV)	(XV)= (XIV)/(V-III)* 100
(A)	Promoter and Promoter Group													
(A)(1)	Promoter													
	Larsen & Toubro Limited	1	161,249,940*	161,249,940	100.00	100.00	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Individuals	6	60*	60	0.00	0.00	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Sub Total (A)(1):	7	161,250,000	161,250,000	100.00	100.00	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(A)(2)	Promoter Group													
	Nil	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Sub Total (A)(2):	0	0	0	0	0	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1) + (A)(2)	7	161,250,000	161,250,000	100.00	100.00	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(B)	Public shareholding						[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
B 1	Institutions						[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(a)	Mutual Funds / UTI	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(b)	Financial Institutions / Banks	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(c)	Central / State Government(s)	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(d)	Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(e)	Insurance Companies	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(f)	Foreign Institutional Investors/ Foreign Portfolio Investors	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(g)	Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(I)	Others (Specify)	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Sub Total (B)(1):	0	0	0	0	0	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
B 2.	Non-Institutions						[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(a)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(b)	Individual	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(i)	Individual Shareholders Holding Nominal Share Capital upto ₹1 lakh	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(ii)	Individual Shareholders Holding Nominal Share Capital in excess of ₹1 lakh	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(c)	Any Others (Specify)	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Trust	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Sub Total (B)(2):	0	0	0	0.00	0.00	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Total (B)=(B)(1) + (B)(2)	0	0	0	0.00	0.00	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Total (A) + (B)	7	161,250,000	161,250,000	100	100	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(C)	Shares held by Custodians and against which Depository Receipts have been issued						[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(i)	Promoter and Promoter Group	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(ii)	Public	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Total (A) + (B) + (C)	7	161,250,000	161,250,000	100	100	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
(D)	Public pursuant to the Issue	Nil	Nil	Nil	Nil	Nil	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]
	Grand Total (A)+(B)+(C)+(D)	7	161,250,000*	161,250,000	100	100	[●]	[●]	[●]	[●]	Nil	Nil	[●]	[●]

*This includes 60 Equity Shares held by six joint holders as nominees of our Promoter.

5. List of public Shareholders holding more than 1% of the pre- Offer paid up capital of our Company:

As on the date of this Draft Red Herring Prospectus, our Company does not have any public Shareholders holding more than 1% of the pre- Offer paid up capital of our Company.

6. **The list of top 10 Shareholders of our Company and the number of Equity Shares held by them are set forth below:**

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

Sr. No.	Name of the Shareholder	No. of Equity Shares (face value of ₹ 1 each)	Percentage (%)
1.	L&T	161,250,000 ⁽¹⁾	100
Total		161,250,000	100

(1) This includes 60 Equity Shares held by six holders jointly as nominees of our Promoter, out of which 10 Equity Shares are held by each of Arnob Mondal, N. Hariharan, Prasad Shanbhag, Subhodh Shetty, R. Shankar Raman and Y.V.S. Sravankumar jointly as nominees of our Promoter.

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

Sr. No.	Name of the Shareholder	No. of Equity Shares (face value of ₹ 1 each)	Percentage (%)
1.	L&T	161,250,000 ⁽¹⁾	100
Total		161,250,000	100

(1) This includes 60 Equity Shares held by six holders jointly as nominees of our Promoter, out of which 10 Equity Shares are held by each of Arnob Mondal, N. Hariharan, Prasad Shanbhag, Subhodh Shetty, R. Shankar Raman and Y.V.S. Sravankumar jointly as nominees of our Promoter.

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

Sr. No.	Name of the Shareholder	No. of equity shares (face value of ₹ 5 each)	Percentage (%)
1.	L&T	32,250,000	100.00
Total		32,250,000	100.00

(1) This includes 12 equity shares held by six holders jointly as nominees of our Promoter, out of which two equity shares are held by A. M. Naik, K. Venkataramanan, N. Hariharan, R. N. Mukhija, V. K. Magapu and Y. M. Deosthalee each, jointly as nominees of our Promoter.

7. **Existing Employee Stock Option Plans**

Our Company has granted 3,165,205 options to the eligible employees under the ESOP Scheme, 2000 and U.S Sub-Plan, 2006 (collectively, the “Existing Employee Stock Option Plans”). These options were issued prior to the split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each and the aforesaid options results in 12,935,449 options after adjustment of equity shares of our Company for split of face value from ₹ 5 each to ₹ 1 each. For certain risks in relation to the Existing Employee Stock Option Plans, see “Risk Factors” from pages 25 to 27.

ESOP Scheme, 2000

The ESOP Scheme, 2000 was constituted pursuant to the resolution passed by our Board. The issue of equity shares under the ESOP Scheme, 2000 was approved by our shareholders on March 13, 2000 for issue of equity shares not exceeding in the aggregate five per cent of the issued equity shares of our Company, as may be outstanding, from time to time. On December 16, 2005, the shareholders approved issue of equity shares under the ESOP Scheme, 2000 not exceeding in the aggregate five per cent of the issued equity shares of our Company as on March 31, 2005 excluding equity shares already approved to be issued on March 13, 2000. The ESOP Scheme, 2000 provides for issue of options to all the eligible employees of our Company (including directors), our Subsidiaries, our holding company and subsidiaries of our holding company.

The objective of the ESOP Scheme, 2000 is to reward those employees who contribute significantly to our Company's profitability and shareholder's value as well as encourage improvement in performance and retention of talent. The ESOP Scheme, 2000 provides that implementation and continuation of the ESOP Scheme, 2000 shall always be the sole discretion and prerogative of the Compensation Committee (now referred to as the "Nomination and Remuneration Committee"). The grants and vesting is also at the sole discretion of the Compensation Committee. Our Company has also issued eligibility letters to certain employees which specify the eligibility of such employees to be granted certain options subject to the terms and conditions of the ESOP Scheme, 2000.

The ESOP Scheme, 2000 has been amended on September 9, 2003, September 29, 2005, May 10, 2008, January 13, 2011 and July 17, 2013 by the resolutions passed by our Board and by the Compensation Committee on September 9, 2003, June 28, 2005, April 1, 2008, January 12, 2011 and July 17, 2013. These amendments have not been separately shared with each of the eligible employees. Some of the important amendments made to the ESOP Scheme, 2000 are set out below:

- (a) Exercise date which was originally stipulated to be every half year was amended to be the date determined by the Compensation Committee prior to the IPO of our Company and was referred to as the First Exercise Date;
- (b) Exercise period which was originally stipulated to be seven years from the date of grant was amended to five years from date of grant or two years from date of retirement;
- (c) Introduction of exit mechanism with fixed rate of return;
- (d) Employees who resign may exercise vested options on exercise date or alternatively, exit mechanism can be availed within 90 days from the date of resignation. The employee who has resigned and who has not opted for exit mechanism within such period can exercise the options only on the First Exercise Date and not earlier;
- (e) For options granted from April 1, 2005, first vesting would be on later of April 1, 2009 or IPO of our Company;
- (f) For options already granted where vesting was due on April 1, 2006 and October 1, 2006, vesting was deferred to April 1, 2009 and October 1, 2009, respectively, or till the IPO of our Company, whichever is later;
- (g) For options granted from April 1, 2005, no vesting is allowed if the employee resigns before vesting, however, exit mechanism can be availed within 90 days of resignation;
- (h) If the employee joins a competitor, vested options will not be allowed to be exercised and only exit mechanism will be allowed to be exercised;
- (i) In case of retirement before vesting, unvested options would be considered vested and exit option could also be availed. However, all unvested options will be vested subject to discretion of the management based on consistent past performance and/or such other criteria as deemed fit by the Management;
- (j) Vesting will be based on the consistent performance of the employee and/or such other criteria as may be deemed fit by the management of our Company; and
- (k) Under the ESOP Scheme, 2000, the vesting was to commence one year after the date of grant at the rate of 25% of grant each year unless otherwise provided. For options granted but not yet vested as of January 13, 2011, vesting will commence prior to the date of IPO of our Company or a date determined by the Compensation Committee and vesting of remaining options shall be made every year at the rate of 25%.

U.S Sub-Plan, 2006

The U.S Sub-Plan, 2006 was constituted pursuant to the resolution of the Board and our shareholders passed on December 6, 2006 and December 7, 2006, respectively. The main objective of the U.S Sub-Plan, 2006 is to attract and retain the best available personnel, to provide additional incentive to the employees of our Company, its holding company and its subsidiaries to promote the success of our Company's business and to enable the employees to share in the growth and prosperity of our Company by providing them with an opportunity to purchase stock in our Company.

By way of resolution passed by the Nomination and Remuneration Committee of our Company on

September 16, 2015, the First Exercise Date has been decided to be September 28, 2015 and the eligible former and existing employees have a right to exercise options vested under the Existing Employee Stock Option Plans not later than two months from the effective date of the letter issued for exercise of options and our Company shall shortly issue letters to all its eligible employees to this effect.

The following table sets forth the particulars of the options granted under the Existing Employee Stock Option Plans as on the date of filing of this Draft Red Herring Prospectus:

Particulars	Details
Options granted	<u>ESOP Scheme, 2000:</u> 3,005,205 or 12,415,049 after adjustment of split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each <u>U.S Sub-Plan, 2006:</u> 160,000 or 520,400 after adjustment of split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each
The pricing formula	<u>ESOP Scheme, 2000:</u> The Compensation Committee shall determine the grant price at the time of granting options. <u>U.S Sub-Plan, 2006:</u> The Board or the Compensation Committee shall determine the exercise price, provided that such price shall not be less than the fair market value per Equity Share on the date of grant of options. In case the employee, as on the date of grant holds more than 10% of the total combined voting power of all classes of stock of our Company, its holding company or its subsidiaries, the exercise price shall not be less than 110% of the fair market value per Equity Share on the date of grant of options.
Exercise price of options	<u>ESOP Scheme, 2000</u> 428,450 options at ₹ 25 per option and after adjustment for split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each: 2,006,062 at ₹ 5 per option 2,576,755 options at ₹ 10 per option and after adjustment for split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each: 10,408,987 options at ₹ 2 per option <u>U.S Sub-Plan, 2006</u> 160,000 options at USD 12 per option and after adjustment for split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each: 520,400 options at USD 2.4 per option
Total options vested ⁽¹⁾⁽²⁾	<u>ESOP Scheme, 2000</u> 1,384,031 or 8,797,165 after adjustment of split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each <u>U.S Sub-Plan, 2006</u> 90,100 or 450,500 after adjustment of split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each
Options exercised	Nil
Total number of Equity Shares that would arise as a result of full exercise of options already granted (net of cancelled)	<u>ESOP Scheme, 2000</u> 2,300,845 or 10,781,910 after adjustment of split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each

options)	<u>U.S Sub-Plan, 2006</u> 90,100 or 450,500 after adjustment of split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each
Options forfeited/lapsed/cancelled	<u>ESOP Scheme, 2000</u> 1,633,139⁽¹⁾⁽²⁾ <u>U.S Sub-Plan, 2006</u> 69,900⁽¹⁾⁽²⁾
Variation in terms of options	For details amendments to ESOP Scheme, 2000, see “Capital Structure - Existing Employee Stock Option Plans – ESOP Scheme, 2000”
Money realised by exercise of options	Nil
Options outstanding (in force)	<u>ESOP Scheme, 2000</u> 2,300,845⁽¹⁾⁽²⁾ or 10,781,910 after adjustment of split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each <u>U.S Sub-Plan, 2006</u> 90,100⁽¹⁾⁽²⁾ or 450,500 after adjustment of split of equity shares of our Company from face value from ₹ 5 each to ₹ 1 each
Employee wise details of options granted to	
(i) Senior managerial personnel, i.e. Directors and key management personnel	See Note 1 below
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year.	See Note 2 below
(iii) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant.	Nil
Fully diluted EPS on a pre-Issue basis on exercise of options calculated in accordance with Accounting Standard (AS) 20 ‘Earning Per Share’	Nil
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this	<u>ESOP Scheme, 2000</u> Set out below is the summary of differences if the fair valuation had been adopted for the employees compensation under ESOP, 2000: 1. There is no ESOP related compensation charges which have been debited to consolidated profit and loss of our Company for the Financial Year 2015 and therefore, there would be no impact due to fair value of options.

difference on profits and EPS of our Company for the last three financial years	2. If the fair value had been employed, the ESOP related compensation charges which have been debited to consolidated profit and loss of our Company for the Financial Year 2014 would have been lower by and profits would have been higher by ₹ 0.79 million. i. Diluted EPS before extraordinary item at face value of ₹ 5 per share would have increased from ₹ 204.31 to ₹ 204.33. ii. Diluted EPS before extraordinary item at face value of ₹ 1 per share would have increased from ₹ 40.86 to ₹ 40.87. 3. If the fair value had been employed, the ESOP related compensation charges which have been debited to consolidated profit and loss of our Company for the Financial Year 2013 would have been lower by and profits would have been higher by ₹ 2.01 million. i. Diluted EPS before extraordinary item at face value of ₹ 5 per share would have increased from ₹ 170.22 to ₹ 170.28. ii. Diluted EPS before extraordinary item at face value of ₹ 1 per share would have increased from ₹ 34.04 to ₹ 34.06.												
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock for the last three financial years	<u>ESOP Scheme, 2000</u> Weighted average exercise price – ₹10 at face value of ₹ 5 Weighted average exercise price – ₹ 2 at face value of ₹ 1 Weighted average fair value – ₹ 578.23 at face value of ₹ 5 Weighted average fair value – ₹ 115.65 at face value of ₹ 1												
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option for the last three financial years	<u>ESOP Scheme, 2000</u> <table border="1"> <thead> <tr> <th>Model used</th><th>Black-Scholes Method</th></tr> </thead> <tbody> <tr> <td>Weighted average risk free interest rate</td><td>6.08%</td></tr> <tr> <td>Weighted average expected Options life</td><td>2.5 years</td></tr> <tr> <td>Weighted average expected volatility</td><td>38.82%</td></tr> <tr> <td>Weighted average expected dividends per share of face value of ₹ 5</td><td>₹ 149.70</td></tr> <tr> <td>Weighted average expected dividends per share of face value of ₹ 1</td><td>₹ 29.94</td></tr> </tbody> </table> The expected volatility has been calculated entirely based on historic volatility IT Index, as historical data of our Company is not available being an unlisted company.	Model used	Black-Scholes Method	Weighted average risk free interest rate	6.08%	Weighted average expected Options life	2.5 years	Weighted average expected volatility	38.82%	Weighted average expected dividends per share of face value of ₹ 5	₹ 149.70	Weighted average expected dividends per share of face value of ₹ 1	₹ 29.94
Model used	Black-Scholes Method												
Weighted average risk free interest rate	6.08%												
Weighted average expected Options life	2.5 years												
Weighted average expected volatility	38.82%												
Weighted average expected dividends per share of face value of ₹ 5	₹ 149.70												
Weighted average expected dividends per share of face value of ₹ 1	₹ 29.94												
Vesting schedule	<u>ESOP Scheme, 2000</u> For details of vesting schedule, see “Capital Structure - Existing Employee Stock Option Plans – ESOP Scheme, 2000” <u>U.S Sub-Plan, 2006</u> Vesting of options granted shall be in terms of the option agreement entered into between the employees of GDA and our Company (the “Option Agreement”). In terms of the Option Agreement, the options shall vest and be exercisable during its terms of five years as follows: (i) 20% of the options granted on December 1, 2007, provided the Employee has enjoyed continuous status as an employee of our Company between the date of grant of options and December 1, 2007; and (ii) 20% of the options granted at the end of each 12 full months of continuous status as an employee of our Company following December 1, 2007 until the option is not fully vested.												
Lock-in	Nil												

Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	<u>ESOP Scheme, 2000</u> Our Company has not granted any options in the Financial Years 2015, 2014 and 2013. Our Company has accounted for ESOP charges as per guidance note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India. <u>U.S Sub-Plan, 2006</u> Our Company has not granted any options in the Financial Years 2015, 2014 and 2013.
Aggregate number of Equity Shares intended to be sold by holders of Equity Shares allotted on exercise of options granted under ESOP Scheme, 2000, within three months after the listing of Equity Shares pursuant to the Issue and quantum of Equity Shares arising out of or allotted under 2006 U.S Sub-Plan intended to be sold within three months after the date of listing, by Directors, senior managerial personnel and employees having Equity Shares issued under ESOP Scheme, 2000 amounting to more than 1% of the issued capital of our Company	<u>ESOP Scheme, 2000</u> Employees holding Equity Shares at the time of listing of the Equity Shares pursuant to the Issue, may sell the Equity Shares issued in connection with the exercise of options granted under the ESOP Scheme, 2000 within a period of three months from the date of listing of the Equity Shares. <u>U.S Sub-Plan, 2006</u> Employees holding Equity Shares at the time of listing of the Equity Shares pursuant to the Issue, may sell the Equity Shares issued in connection with the exercise of options granted under the U.S. Sub-Plan, 2006 within a period of three months from the date of listing of the Equity Shares.

- (1) Pursuant to the terms of the Agreement and Plan of Merger dated December 12, 2006 and based on mutual discussions and considering period of association, our Board, on January 6, 2010, approved grant of 20,000 options to each of Ravi Thummarkuddy and Gopa Periyadan, founders of GDA Technologies Inc., as per agreement reached in 2009. However, these 20,000 options had been erroneously lapsed subsequently. Our Board, vide resolution passed on July 27, 2015, approved that these options be restored and vested prior to the date of IPO of our Company.
- (2) In terms of the Employee Stock Option Plans, our Company, in the past, had considered certain options lapsed which were unvested at the time of separation of the employees from our Company. The Board of our Company and the Nomination and Remuneration Committee of our Company have, vide their resolutions dated July 27, 2015 and September 24, 2015, respectively, on the basis of legal advice, approved re-instatement of 51,616 unvested options granted to 20 ex-employees in the United States issued under ESOP Scheme, 2000 (which had been considered lapsed in the previous Financial Years) at a grant price originally issued (₹25 or ₹10 as applicable) each convertible into 51,616 equity shares of face value of ₹5 each (258,080 equity shares of after adjustment of split of equity shares of our Company from face value from ₹5 each to ₹1 each). Our Company considers these options as deferred options as such options would have been vested in the ex-employee during the course of employment, if vesting and exercise of options had not been deferred due to various amendments made in the ESOP Scheme, 2000.

Note 1: Details regarding options granted under the Existing Employee Stock Option Plans to the senior managerial personnel i.e. Directors and Key Management Personnel of our Company are set forth below:

Name of senior managerial personnel	Total Number of Options Granted	Total Number of Options Cancelled/Forfeited	Total Number of Options Outstanding
ESOP Scheme, 2000			
A.M. Naik	1,800,000	Nil	1,800,000
Makarand Deolalkar	158,000	Nil	158,000
Vinay Rajadhyaksha	47,200	4,200	43,000
Sunil Pande	25,000	Nil	25,000

Note 2: Employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year, under the Existing Employee Stock Option Plans are set forth below

Name of Employee	No. of Options Granted
ESOP Scheme, 2000	

A.M. Naik	Granted options amounting to more than 5% of the total options granted during the year in the each of Financial Years 2002 to 2011
Y.M. Deosthalee	Granted options amounting to more than 5% of the total options granted during the year in the each of Financial Years 2007 to 2011

New Employee Stock Option Plan

Pursuant to the resolution passed by our Board on July 27, 2015 and by our shareholders on September 14, 2015, our Company has instituted the Larsen & Toubro Infotech Limited Employee Stock Option Scheme, 2015 ("ESOP Scheme, 2015") for issue of options to eligible employees which may result in issue of Equity Shares of up to five per cent of the paid up capital of our Company amounting to 80,62,500 equity shares of face value of ₹ 1 each. The eligible employees include permanent employees (including executive directors and non-executive directors but excluding the independent directors) of our Company and subsidiaries or our holding company. The vesting of options granted under the ESOP Scheme, 2015 will commence one year after the date of grant of options at the rate of 20% of total options granted each year, or at such other rates as may be fixed by the Board and may extend up to five years from the date of grant of options, unless otherwise varied in accordance with the Employee Stock Option Scheme, 2015 Rules framed under the ESOP Scheme, 2015. The exercise period for the options granted under the ESOP Scheme, 2015 would be seven years (84 months) from the date of grant of options or six years from the date of first vesting or three years (36 months) from the date of retirement/death, whichever is earlier, subject to any change as may be approved by the Board. The exercise price may be decided by our Board, in such manner, during such period, in one or more tranches and on such terms and conditions as it may deem fit, provided that the exercise price per option shall not be less than the par value of the equity share of our Company and shall not be more than the market price as defined in the SEBI (Share Based Employee Benefits) Regulations, 2014 (the "ESOP Regulations") and shall be subject to compliance with accounting policies under the ESOP Regulations. As of the date of this Draft Red Herring Prospectus, no options have been granted under the ESOP Scheme, 2015. ESOP Scheme, 2015 is in compliance with the ESOP Regulations.

8. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.
9. None of our Directors or Key Management Personnel hold any Equity Shares in our Company.
10. None of our Promoter, Promoter Group or Directors have purchased/subscribed or sold any securities of our Company within three years immediately preceding the date of filing this Draft Red Herring Prospectus with SEBI, which in aggregate is equal to or greater than 1% of pre- Offer capital of our Company.
11. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (in accordance with the definition of "associate company" as provided under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.
12. Our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during the last one year.
13. Except as disclosed below, none of the members of our Promoter Group, the directors of the Promoter, or our Directors and their immediate relatives have purchased or sold any Equity Shares or the equity shares of any of our Subsidiaries, during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI:

Date of the transaction	Name of the shareholder	Promoter/ Promoter Group/ Director	Total no. of Equity Shares transferred	Aggregate consideration (in ₹)**	Percentage of pre-Offer capital
July 27, 2015	A. M. Naik*	Our Director and director of our Promoter	10	10	Negligible

July 27, 2015	K. Venkataramanan*	Director of our Promoter	10	10	Negligible

**Held jointly as a nominee of our Promoter.*

14. As of the date of the filing of this Draft Red Herring Prospectus, the total number of our Shareholders is seven including six individuals who hold Equity Shares jointly as nominees of our Promoter.
15. Neither our Company nor any of our Directors have entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person. Further, the BRLMs have not made any buy-back and/or standby arrangements for purchase of Equity Shares from any person.
16. Except for the options granted under the Existing Employee Stock Option Plans, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares as on the date of this Draft Red Herring Prospectus.
17. Our Company has not issued any Equity Shares out of its revaluation reserves.
18. Except for issue of the Equity Shares pursuant to the exercise of the options granted pursuant to the Existing Employee Stock Option Plans and the ESOP Scheme, 2015 and their consequent conversion into Equity Shares, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.
19. All Equity Shares allotted pursuant to the Offer will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus.
20. The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholder in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange.
21. Any over-subscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot.
22. There have been no financing arrangements whereby our Promoter Group, the directors of the Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of six months preceding the date of filing of this Draft Red Herring Prospectus.
23. Except for issue of the Equity Shares pursuant to the exercise of the options granted pursuant to the Existing Employee Stock Option Plans, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and to carry out the sale of up to 17,500,000 Equity Shares by the Selling Shareholder. The listing of the Equity Shares will enhance our brand name and provide liquidity to the existing shareholders. The listing will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer.

Offer Expenses

The Offer related expenses consist of listing fees, underwriting fees, selling commission, fees payable to the BRLMs, legal counsel, Bankers to the Offer including processing fee to the SCSBs for processing Bid cum Application Forms submitted by the ASBA Bidders procured by the BRLMs and submitted to the SCSBs, Escrow Bankers and Registrars to the Offer, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. All expenses with respect to the Offer will be borne by the Selling Shareholder. Payments, if any, made by our Company in relation to the Offer shall be on behalf of the Selling Shareholder and such payments will be reimbursed by the Selling Shareholder to our Company. The break-up for the Offer expenses is as follows:

Activity	Expense* (₹ in million)	Expense* (% of total expenses)	Expense* (% of the Offer size)
Fees payable to the BRLMs	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar	[●]	[●]	[●]
Underwriting commission, fees payable to the Bankers to the Offer, brokerage and selling commission, as applicable	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs	[●]	[●]	[●]
Others (listing fees, legal fees, etc.)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

**To be finalised upon determination of Offer Price.*

Monitoring of Utilisation of Funds

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

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholder in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 1 each and the Offer Price is [●] times the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to “Our Business”, “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 119, 19, 194 and 296, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- A. Strong domain focus enabling Business to IT Connect;
- B. Strong parentage and brand equity of our Promoter;
- C. Established long-term relationships with our clients;
- D. Extensive portfolio of IT services and solutions;
- E. Focus on emerging technologies;
- F. Track record of established processes and executing large, end-to-end, mission critical projects;
- G. Strong management culture; and
- H. Conducive work environment to attract and retain talent.

For further details, see “Our Business—Our Competitive Strengths” from pages 119 to 122.

Quantitative Factors

The information presented below relating to our Company is based on the unconsolidated and consolidated Restated Financial Statements.

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

I. Basic and Diluted Earnings per Share (“EPS”) (Face value of ₹ 1 each), as adjusted for change in capital:

On an unconsolidated basis:

Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2015	47.98	45.91	3
March 31, 2014	42.51	40.68	2
March 31, 2013	34.73	33.23	1
Weighted Average	43.95	42.05	

On a consolidated basis:

Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2015	47.21	45.17	3
March 31, 2014	42.70	40.86	2
March 31, 2013	35.58	34.04	1

Weighted Average	43.77	41.88	

Notes:

1. The face value of each Equity Share is ₹1.
2. All share data has been adjusted for events of sub-division of Equity Shares–
 - Pursuant to the resolution of our Shareholders on March 30, 2002, our Company sub-divided its equity shares from face value of ₹10 each to face value of ₹5 each, with effect from March 31, 2002.
 - Pursuant to the resolution of our Shareholders on June 22, 2015, our Company sub-divided its equity shares from face value of ₹5 each to face value of ₹1 each.
3. Basic and diluted earnings per Equity Share are computed in accordance with Accounting Standard 20 'Earnings per Share' notified by Companies (Accounting Standards) Rules, 2006 (as amended).
4. The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.
5. Basic EPS (₹) is Net profit attributable to equity shareholders divided by Weighted average number of Equity Shares outstanding during the year / period. Subsequent to March 31, 2015, our Board has, in its meeting held on June 22, 2015, approved the split of each equity share of face value ₹5 to five equity shares of face value ₹1 each. Accordingly, the accounting ratios post such split of equity shares has been disclosed.

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

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic EPS for the year/ period ended March 31, 2015 on a unconsolidated basis	[●]	[●]
Based on basic EPS for the year/ period ended March 31, 2015 on a consolidated basis	[●]	[●]
Diluted EPS for the year/ period ended March 31, 2015 on a unconsolidated basis	[●]	[●]
Diluted EPS for the year/ period ended March 31, 2015 on a consolidated basis	[●]	[●]

Industry P/E ratio*

Average: 20.4x

Highest: 25.1x

Lowest: 17.7x

*** Source: The highest and lowest Industry P/E shown above is based on the Industry peer set provided below under "Comparison with Listed Industry Peers". The Industry composite has been calculated as the arithmetic average P/E of the Industry peer set provided below, based on consolidated EPS numbers. For further details, see "Basis for Offer Price - Comparison with Listed Industry Peers" hereunder.**

III. Average Return on Net Worth (“RoNW”)

As per unconsolidated Restated Financial Statements:

Financial Year ended / Period ended	RoNW (%)	Weight
March 31, 2015	45.59	3
March 31, 2014	50.75	2
March 31, 2013	49.54	1
Weighted Average	47.97	

As per consolidated Restated Financial Statements:

Financial Year ended / Period ended	RoNW (%)	Weight
March 31, 2015	41.9	3
March 31, 2014	46.7	2
March 31, 2013	46.9	1
Weighted Average	44.33	

Notes:

Return on net worth (%) is Net profit attributable to equity shareholders divided by Average net worth excluding preference share capital (average for two years).

IV. Minimum Return on Increased Net Worth required for maintaining pre-issue EPS as at March 31, 2015 is:

There will be no change in the Net Worth post-Offer, as the Offer is by way of Offer for Sale by the Selling Shareholder.

V. Net Asset Value per Equity Share (Face value of ₹ 1 each)

1. Net asset value per Equity Share as on March 31, 2015 on an unconsolidated basis is ₹ 119.41.
2. Net asset value per Equity Share as on March 31, 2015 on a consolidated basis is ₹ 125.66.

As the Offer consists only of an offer for sale by the Selling Shareholder, there will be no change in the NAV post-Offer.

Offer Price: ₹ [●]

VI. Comparison with Listed Industry Peers

Name of company	Unconsolidated/ Consolidated	Face value (₹ per share)	EPS (₹ per share) ⁽⁹⁾		NAV (₹ per share) ⁽¹⁰⁾	P/E ⁽¹¹⁾	RONW ⁽¹²⁾
			Basic	Diluted			
Tata Consultancy Services Limited ⁽¹⁾	Consolidated	1	101.35	101.35	264.3	25.1	39.1%
Infosys Limited ⁽²⁾	Consolidated	5	108.26	108.25	444.0	20.5	26.0%
Wipro Limited ⁽³⁾	Consolidated	2	35.28	35.18	150.9	17.8	25.1%
HCL Technologi	Consolidated	2	52.09	51.79	176.0	17.7	32.4%

es Limited (4)							
Tech Mahindra Limited ⁽⁵⁾	Consolidated	5	27.46	26.74	129.1	22.9	24.5%
Hexaware Technologies Limited ⁽⁶⁾	Consolidated	2	10.66	10.60	39.9	18.8	25.7%
Mindtree Limited ⁽⁷⁾	Consolidated	10	64.14	63.85	240.4	20.3	29.4%

Note:

- 1) Financials for TCS are for the year ending March 31, 2015 and sourced from Annual Report 2015.
- 2) Financials for Infosys sourced from Annual Report as of March 31, 2015.
- 3) Financials for Wipro sourced from Annual Report as of March 31, 2015.
- 4) Financials for HCL Technologies sourced from Annual Report as of June 30, 2015.
- 5) Financials for Tech Mahindra sourced from Annual Report as of March 31, 2015.
- 6) Financials for Hexaware Technologies sourced from Annual Report as of December 31, 2014.
- 7) Financials for Mindtree sourced from Annual Report as of March 31, 2015.
- 8) Net worth for the companies has been computed as sum of share capital, minority interest and reserves. Share Application Money pending allotment not included as part of Net Worth.
- 9) Basic and Diluted EPS refer to basic and diluted EPS sourced from the annual reports of the companies.
- 10) NAV is computed as the closing net worth of the companies, computed as per Note 8, divided by the closing outstanding number of fully paid up equity shares as sourced from the annual reports for the company.
- 11) P/E Ratio has been computed as the closing market prices of the companies on the BSE Limited sourced from the BSE website as of financial year end of each company divided by the basic EPS as described in Note 9.
- 12) RoNW for Peers have been computed as net profit after tax (including minority interest) divided by the average net worth of preceding two financial years of these companies as per Note 8.

VII. The Offer price is [●] times of the face value of the Equity Shares.

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

Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on pages 19, 119, 296 and 194, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

Statement of possible special tax benefits available to the Company (including its relevant Subsidiaries) and its Shareholders under the applicable laws in India

To
The Board of Directors
Larsen & Toubro Infotech Limited,
Mumbai – 400 001,
India.

Dear Sirs,

Sub: Statement of possible Special Tax Benefits (the ‘Statement’) available to Larsen & Toubro Infotech Limited (including its relevant subsidiaries) and its shareholders under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (‘the Regulations’)

We hereby confirm that the enclosed annexure, prepared by Larsen & Toubro Infotech Limited (‘the Company’) states the possible special tax benefits available to the Company (including its relevant subsidiaries) and the shareholders of the Company under the Income Tax Act, 1961 (‘Act’), presently in force in India (i.e. including amendments made by Finance Act 2015, applicable for the Accounting year 2015-16, relevant to the Assessment year 2016-2017). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits, as above, is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only Special tax benefits and do not cover general tax benefits. Special tax benefits are benefits which are generally not available for all companies. Further, the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this Statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the nature of individual tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

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

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company (including its relevant subsidiaries).

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

- the Company (including its relevant subsidiaries) will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been/would be met with; and
- the revenue authorities/courts will concur with the views expressed herein.

As per our report attached
SHARP & TANNAN
Chartered Accountants

Firm's Registration No. 109982W

Firdosh D. Buchia

Partner

Membership No: 038332

Mumbai

Date: 18 September 2015

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO LARSEN & TOUBRO INFOTECH LIMITED ('THE COMPANY') (INCLUDING ITS RELEVANT SUBSIDIARIES) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company (including its relevant subsidiaries) and its shareholders under the current Indian tax laws (including amendments made by Finance Act 2015, applicable for the Accounting year 2015-16 relevant to the Assessment year 2016-17).

These benefits are dependent on the Company (including its relevant subsidiaries) or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company (including its relevant subsidiaries) or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

1. Special tax benefits available to the Company

i. Direct taxes:

As per section 10AA of the Act, an unit set up in a Special Economic Zone ('SEZ'), which begins to manufacture or produce articles or things or provide any services during the previous year relevant to any assessment year commencing on or after the 1st day of April 2006, will be entitled to deduction as follows:

- A. 100 per cent of the profits and gains derived from export of articles or things manufactured or produced or any services provided from its unit set up in a SEZ for a period of 5 consecutive assessment years beginning with the assessment year relevant to the previous year in which such unit begins to manufacture or produce such articles or things or provide services, as the case may be;
- B. 50 per cent of such profits and gains for further 5 assessment years; and
- C. thereafter for another 5 consecutive assessment years, the Company will be entitled to a deduction of such amount not exceeding 50 per cent of the profit as is debited to Profit & Loss Account of the previous year in respect of which the deduction is to be allowed and credited to a special reserve viz. "Special Economic Zone Reinvestment Reserve Account" to be created and utilised for the purpose of the business of the Company in the manner laid down in section 10AA (2) of the Act.

The benefit for all 15 years will be available subject to fulfilment of conditions prescribed by the section.

Note: However, the aforesaid deduction is not available while computing tax liability of the Company under section 115JB of the Act i.e. Minimum Alternative Tax ('MAT') provisions. Nonetheless, such MAT paid/ payable on the book profits of the Company computed in terms of the provisions of Act would be eligible for credit against tax liability arising under normal provisions of the Act.

Further, such credit would not be allowed to be carried forward and set off beyond 10th assessment year immediately succeeding the assessment year in which such credit becomes allowable.

ii. Indirect taxes:

- A. In respect of software development centers of the Company registered under the Software Technology Park ('STP') Scheme, following benefits are available subject to fulfilment of specified conditions and procedures prescribed under the relevant legislations:
 - a. Specified goods listed in the relevant notifications under the Customs Act, 1962, which are in the nature of capital equipment, office equipment, spares and components etc., imported by the STP unit are exempt from customs duty.
 - b. Specified goods listed in the relevant notifications under the Central Excise Act, 1944 which are in the nature of capital equipment, office equipment, spares and components etc., procured within India by the STP unit are exempt from central excise duty.
 - c. Under Service Tax regulations, any taxable service may be exported without payment of service tax.
 - d. Cenvat credit could be claimed in respect of input services used to provide taxable output

services

- B. Under the Special Economic Zone Act (SEZ), 2005, following indirect tax benefits would be available subject to fulfilment of specified conditions and procedures:
- Exemption from any duty of customs, under the Customs Act, 1962 or the Custom Tariff Act, 1975 or any other law, on goods imported into, or service provided in a SEZ unit for carrying out authorised operations.
 - Exemption from any duty of customs, under the Customs Act, 1962 or the Custom Tariff Act, 1975 or any other law, on goods exported from, or service provided from a SEZ unit to any place outside India.
 - Exemption from any duty of excise, under the Central Excise Act, 1944 or the Central Excise Tariff Act, 1985, on goods brought from DTA to a SEZ Unit to carry on the authorised operations.
 - Drawback or such other benefits as may be admissible from time to time on goods brought or services provided from the DTA into a SEZ unit or services provided in a SEZ unit by the service providers located outside India to carry on the authorised operations.
 - Exemption from service tax on taxable services provided to carry on the authorised operations to SEZ Unit.
 - Exemption from the levy of taxes on the inter-state sale or purchase of goods other than newspapers under the Central Sales Tax Act, 1956 if such goods are meant to carry on the authorised operations in SEZ.

2. **Special tax benefits available to the subsidiaries of the Company**

There are no special tax benefits in India available to the subsidiaries of the Company except as mentioned below:

Special tax benefits available to Information Systems Resource Centre Private Limited

- Indirect taxes:
 - In respect of software development centers of the Company registered under the Software Technology Park ('STP') Scheme, following benefits are available subject to fulfilment of specified conditions and procedures prescribed under the relevant legislations:
 - VAT is not leviable in Maharashtra on sales between two certified units such as Software technology park Unit/ Exported oriented unit/ Special economic zone unit/ Electronic hardware technology park unit.
 - Under Service Tax regulations, any taxable service may be exported without payment of service tax.
 - Cenvat credit could be claimed in respect of input services used to provide taxable output services.

3. **Special tax benefits available to the shareholders of the Company**

There are no Special tax benefits available to the shareholders of the Company.

Notes:

- All the above benefits are as per the Current Tax Laws and any change or amendment in the laws/regulation, which when implemented would impact the same.
- The special tax benefits are subject to several conditions and eligibility criteria which need to be examined for precise tax implications.
- Wealth tax is abolished by Finance Act 2015 with effect from April 1, 2015 and will accordingly not apply, in relation to the assessment year 2016-17 and subsequent assessment years.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The following information includes extracts from publicly available information, industry reports, data and statistics and has been extracted from official sources and other sources that we believe to be reliable, but which has not been independently verified by us or the BRLMs, or any of our or their respective affiliates or advisers.

The data may have been re-classified by us for the purpose of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information and estimates as of specific dates and may no longer be current or reflect current trends. Such information, data and estimates may be approximations or use rounded numbers.

All references to years in the section below are to calendar years unless specified otherwise.

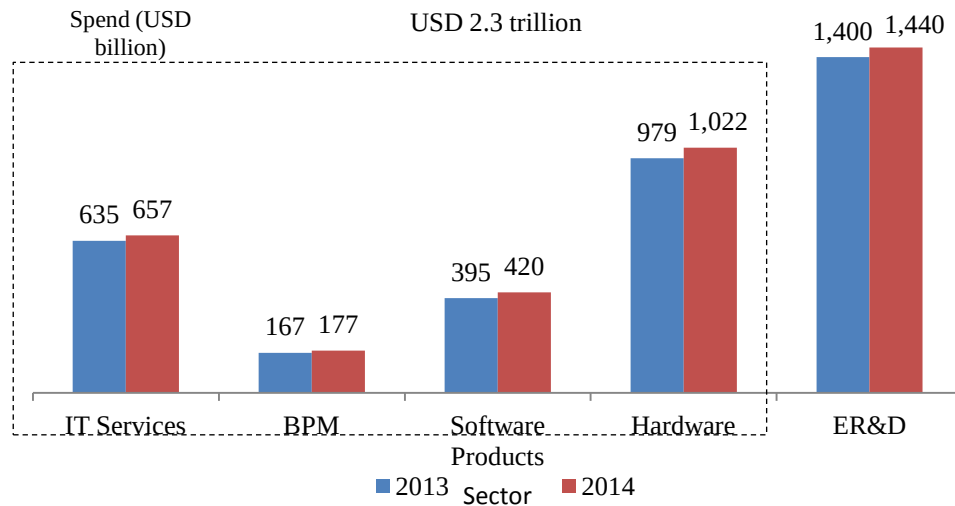
The Global IT-BPM Industry – overview and trends in 2014

In 2014, the global economy continued to display volatility even in the face of positive factors such as declining oil prices and the general revival of the US economy. According to NASSCOM, these trends impacted the information technology and business process management (“IT-BPM”) industry along with other trends such as changing customer expectations, digitisation and regulatory changes across the globe. Further, emerging technologies such as social, mobile, analytics and cloud (“SMAC”), internet of things (“IoT”), wearable devices, all of which are focused around improving the customer experience are also changing the face of the industry. (Source: *The IT-BPM Sector in India: Strategic Review 2015*, NASSCOM, February 2015 (the “NASSCOM Report”))

In such a scenario, NASSCOM notes that the IT-BPM sector recorded steady growth in 2014, with worldwide spend at nearly USD 2.3 trillion, a growth of 4.6 per cent over 2013. As represented in the chart below, software products, IT and BPM services continued to lead, accounting for nearly USD 1.3 trillion in global spend (amounting to 55 per cent of the worldwide technology spend of USD 2.3 trillion). (Source: *NASSCOM Report*)

According to NASSCOM, the global spending on IT services grew at 3.5 per cent in 2014, to reach USD 657 billion, aided by the improving economies of the US and other regions. Traditional and mature verticals such as banking, financial services and insurance (“BFSI”), manufacturing and telecommunications continue to drive growth while the share of verticals such as healthcare and retail increased as SMAC adoption across industries increased. IS outsourcing and custom application development growth increased substantially, driven by SMAC adoption. The demand for IT consulting services grew, while systems integration and outsourcing dropped marginally. Commoditisation, increasing demand for cloud platform services and drop in hardware maintenance services also affected the segment. (Source: *NASSCOM Report*)

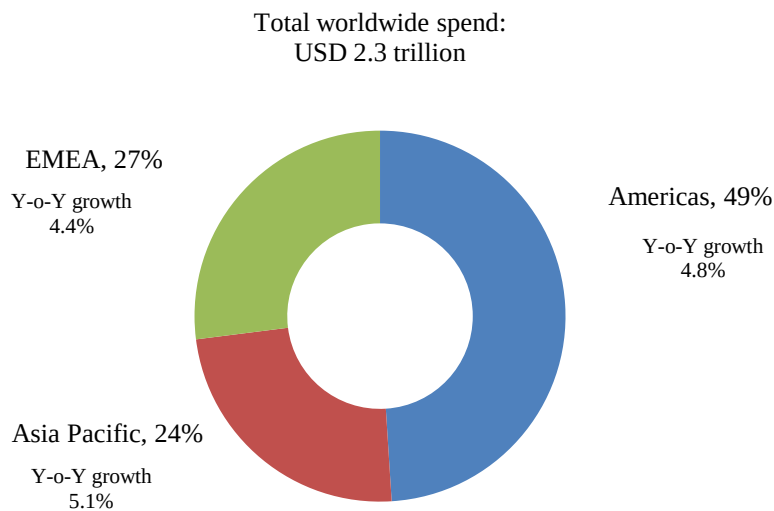
IT-BPM sector wise spend (USD billion)



(Source: NASSCOM Report)

A significant percentage of this growth was led by the Americas and the Asia-Pacific market, with a growth rate of 4.8 per cent and 5.1 per cent respectively in 2014. While the Americas remained the largest market in 2014, the Asia-Pacific region recorded the highest growth, driven by faster growth in BPM services. (Source: NASSCOM Report)

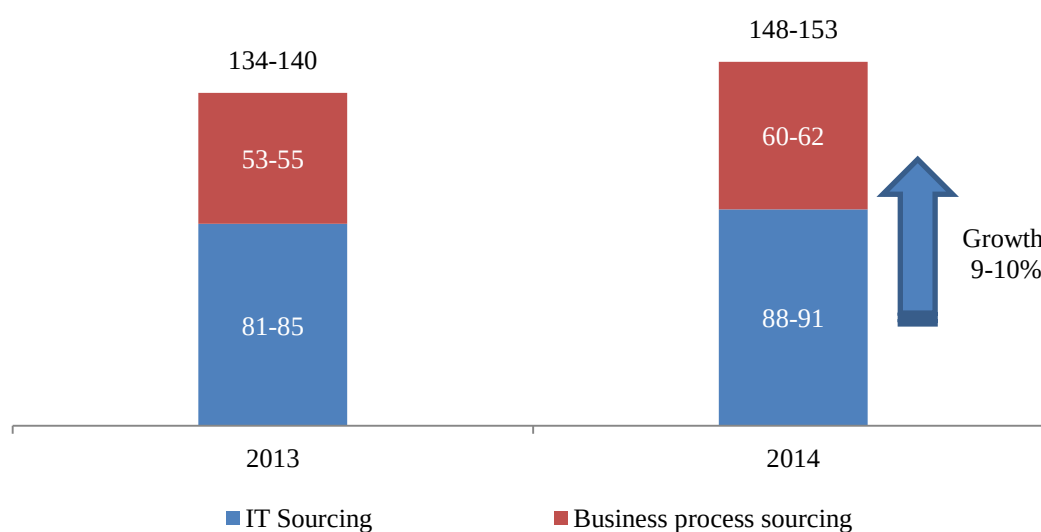
IT-BPM geographic market share (2014)



(Source: NASSCOM Report)

NASSCOM notes that 2014 saw renewed demand for overall global sourcing, which grew by 9-10 per cent over 2013, nearly twice the global technology spend growth (see chart below).

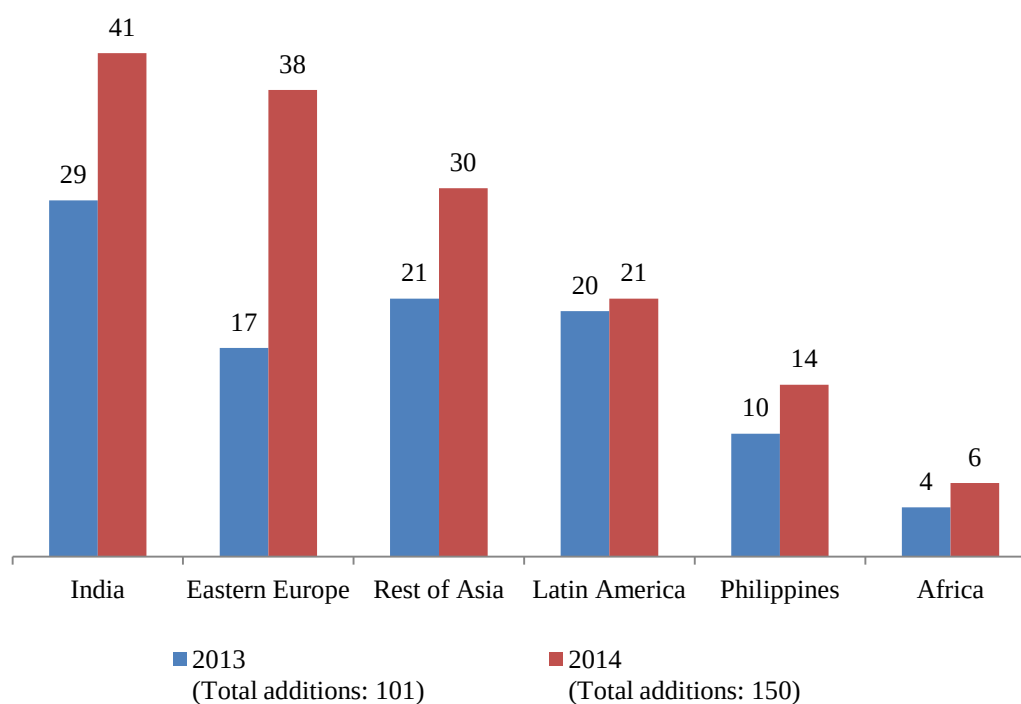
Global sourcing growth (USD billion)



(Source: NASSCOM Report)

India maintained its leadership position in the global sourcing area with a share of 55 per cent of global IT-BPM spend in 2014. New delivery centers for global sourcing added in 2014 recorded a growth of 49 per cent, with over 27 per cent of the new additions being in India (see chart below). (Source: NASSCOM Report)

New delivery centers set up in 2013 and 2014



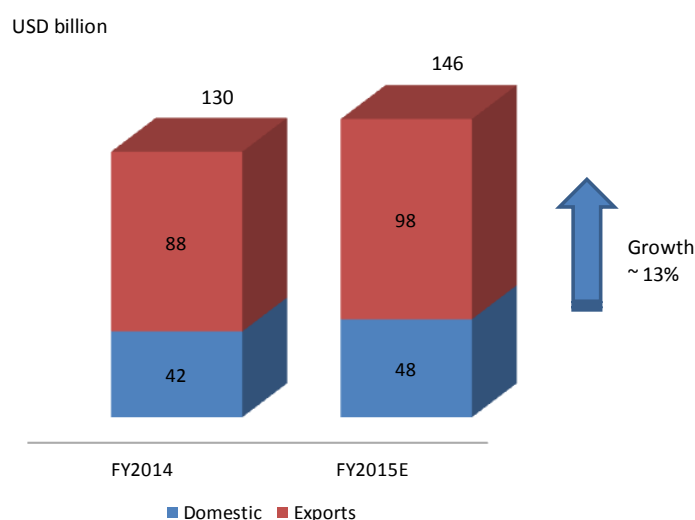
(Source: NASSCOM Report)

The Indian IT-BPM Industry – Overview and trends

Overview

According to NASSCOM, the Indian IT-BPM industry demonstrated flexibility to adjust to turbulent economic conditions and experienced double digit growth in 2014. Overall revenue (comprising revenues from exports and domestic revenues) for fiscal year 2015 is expected at USD 146 billion, a growth of approximately 13 per cent over the last fiscal year, an overall year-on-year addition of approximately USD 17 billion (see chart below). (Source: NASSCOM Report)

Indian IT – BPM Industry – Revenues¹



Notes:

1. Includes hardware; domestic market numbers include eCommerce market.

E: Estimate

(Source: NASSCOM Report)

The table below shows the revenues for the various segments of the Indian IT-BPM industry for fiscal year 2013, fiscal year 2014 and fiscal year 2015 (estimated):

	FY2013			FY2014			FY2015E		
	Exports	Domestic	Total	Exports	Domestic	Total	Exports	Domestic	Total
	USD billion								
IT services ¹	42.9	12.2	55.1	49.2	12.0	61.2	55.4	13.3	68.6
BPM	18.3	3.2	21.5	20.4	3.2	23.7	22.7	3.5	26.2
Packaged software, ER&D and product development ²	15.3	3.8	19.1	17.7	3.7	21.4	20.0	4.2	24.1
Hardware	0.4	12.8	13.3	0.4	12.6	13.1	0.4	13.1	13.5
eCommerce	-	8.7	8.7	-	10.5	10.5	-	14.0	14.0
Total	77.0	40.7	117.7	87.7	42.1	129.8	98.5	48.0	146.4

Notes:

1. Offshore Software Product Development (“OSPD”), which was earlier clubbed with IT services, has now been re-classified under ER&D and product development.

2. Includes packaged software, OSPD, Engineering R&D and product development.

E: Estimate

(Source: NASSCOM Report)

NASSCOM notes that exports (including hardware) are likely to record a 12.3 per cent growth to reach approximately USD 98 billion, up by approximately USD 11 billion compared to the last fiscal year. Exports of IT services increased by approximately 15 per cent in Fiscal Year 2014 compared to Fiscal Year 2013 and are expected to increase by approximately 13 per cent in Fiscal Year 2015 (compared to Fiscal Year 2014). The domestic IT-BPM market at USD 48 billion (for Fiscal Year 2015) is expected to grow faster than the exports market at 14 per cent, driven largely by the addition of eCommerce services. IT services is the largest segment of the Indian IT-BPM industry, with a share of approximately 47 per cent followed by BPM with share of approximately 18 per cent. Packaged software, engineering, research and development (“ER&D”) and product development segments together have an approximately 16 per cent share followed by eCommerce (9.5 per cent)

and hardware (approximately 9 per cent). (Source: NASSCOM Report)

The table below shows the break-up of the amount of exports (in US dollar terms) of the various segments in the chart above for Fiscal Year 2014:

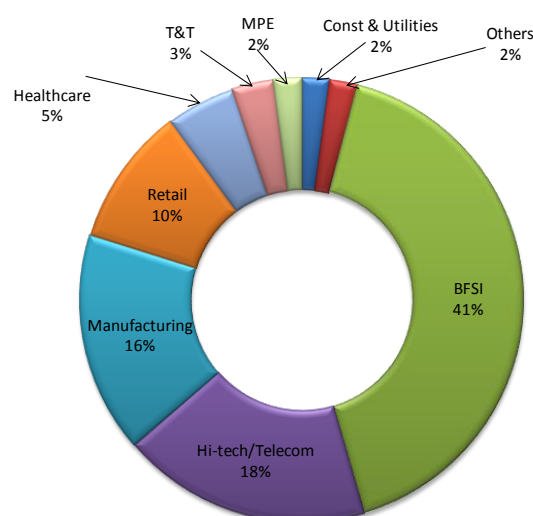
	Fiscal Year 2014	Fiscal Year 2015 (estimated)
	(USD billion)	
Project based	24.8	27.6
IT consulting	1.4	1.5
Systems integration	1.4	1.6
Custom application development	17.9	19.7
Network consulting and integration.....	0.5	0.6
Software testing.....	3.6	4.3
Outsourcing¹	20.7	23.8
Application management.....	6.2	6.8
IS outsourcing	9.2	11.0
Other (SOA &WEB Services).....	5.4	6.1
Support and Training	3.6	3.9
Software deploy and support.....	2.9	3.1
Hardware deploy and support.....	0.2	0.2
IT education and training	0.5	0.6
Total	49.2	55.4

Notes:

1. OSPD, which was earlier clubbed with IT Services, has now been re-classified under ER&D and product development. As such, these numbers will not match with those published earlier.

(Source: NASSCOM Report)

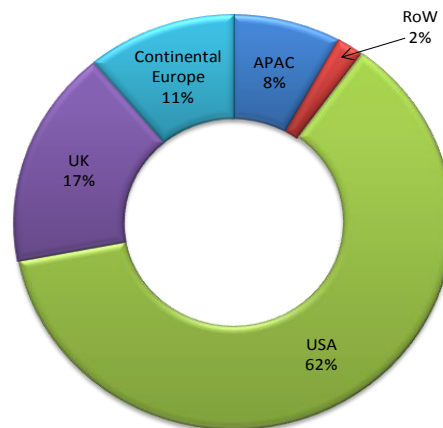
The chart below shows the contribution of the various sectors to IT-BPM exports for 2014:



Total: USD87.7 billion

(Source: NASSCOM Report)

The chart below shows the share of Indian IT-BPM exports to various countries in 2014:



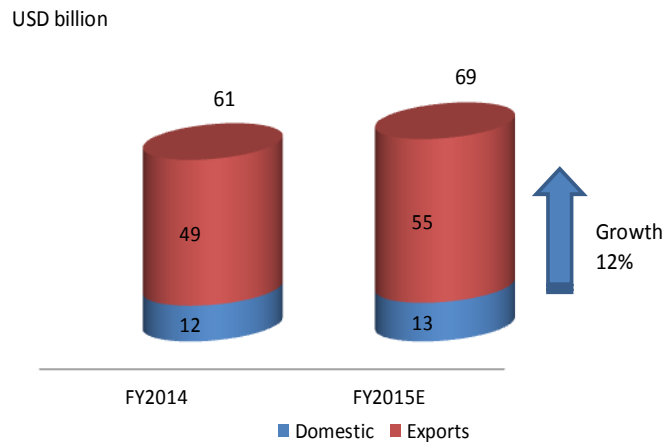
Total: USD87.7 billion

(Source: NASSCOM Report)

Trends

According to NASSCOM, the IT services sector in India has grown over two-fold in the last five years and is expected to reach revenues worth USD 69 billion in fiscal year 2015, with a growth rate of 12 per cent over fiscal year 2014 (see chart below). Of the total Indian IT services market in fiscal year 2015, revenues from exports contributed 81 per cent, while the remaining 19 per cent was from domestic business. The exports market grew at a faster pace compared to the domestic market. The domestic market witnessed a growth of 10.2 per cent to reach USD 13 billion in fiscal year 2015 while the exports market grew at 12.6 per cent during the same period to cross USD 55 billion. (Source: NASSCOM Report)

The charts below shows the expected increase in revenues of the Indian IT services industry from fiscal year 2014 to fiscal year 2015 respectively:



(Source: NASSCOM Report)

NASSCOM notes that IT services has come a long way from providing cost arbitrage to managing IT from a business perspective and providing enterprise digital transformation. Not only has the overall understanding of business improved, services are now more closely aligned and customised to the needs of individual customers in every industry and focused on providing business outcomes. The effect of digitisation and automation has pervaded all the key service areas, converting from process and delivery driven to strategic and transformational solution providers. (Source: NASSCOM Report)

IT services exports added approximately 89,000 employees in fiscal year 2015, at a growth rate of 8 per cent

over previous year. Over the years people with specific skillsets have been gaining credence in the sector. With SMAC and other emerging technologies playing a crucial role in the growth of the industry, skill requirements too have undergone various changes. Requirement for people with cloud and mobile technology capabilities, business intelligence and data analytical skills along with domain knowledge have gone up substantially. (Source: NASSCOM Report)

Growth of India as an IT-BPM Service Delivery Location

The Indian IT-BPM industry grew from an approximately USD 1 million industry size in the 1980s to an approximately USD 146 billion industry (in terms of expected revenues) in fiscal year 2015. Further, the industry has gone from employing less than a million people in the 1980s to emerging as India's largest private sector employer with over 3.5 million people. (Source: NASSCOM Report)

According to NASSCOM, there are certain key factors, which define India's attractiveness as a key IT-BPM service destination:

A highly connected and a digital ready economy. India has more than 937 million mobile subscribers, approximately 278 million internet users and an estimated USD 14 billion eCommerce market (in fiscal year 2015). With the world's second largest population, India also presents a large, increasing end-user market. NASSCOM further notes that the India's economy is also showing signs of recovery. (Source: NASSCOM Report)

High standards of business delivery. According to NASSCOM, the Indian IT-BPM industry has constantly expanded its service offerings and added capabilities, evolving its business models, exerting control over operational parameters to ensure high customer satisfaction. According to NASSCOM, India remains an excellent business delivery center for the IT-BPM industry and has become the epicentre of the global technology industry, with expertise in designing best practices across services helping clients effect significant topline growth, business and operational improvements. (Source: NASSCOM Report)

India's cost advantage. India's cost advantage has been the primary theme for the global sourcing story and continues to remain so. According to NASSCOM, the analysis of prominent cities across the world corroborates this – even “Tier-1” cities in India such as Bengaluru, continue to be 8-10 times cheaper than source countries and significantly cheaper than other low-cost destinations. (Source: NASSCOM Report)

The Indian technology industry is increasingly transforming itself as a “Digital Hub”. NASSCOM notes that India has approximately 7,000 digital focussed firms with start-ups fuelling innovation by investing further in futuristic technologies. Indian companies have also been making investments in the training and certifications of their employees. With a variety of a specialized skill base, the industry accounts for approximately 50,000 trained people in analytics, 30,000 people in mobility and approximately 50,000 in cloud and social media and collaboration. (Source: NASSCOM Report)

A strong innovation backed ecosystem. NASSCOM notes that Indian companies are consistently innovating new methods and techniques to deliver enhanced value proposition to the clients. While start-ups are focusing on emerging technology dependent areas such as education technology, health technology and ad-tech, large firms are adopting evolving strategies to forge innovation into the ecosystem, for example, creating corporate venture fund programmes that invest in select ventures and mutually interesting areas or an “intra-preneurship” programmes that can help nurture ideas from employees. (Source: NASSCOM Report)

NASSCOM also notes the high customer satisfaction scores of Indian companies, with approximately 80 per cent of customers satisfied with India; approximately 85 per cent customers believe India can deliver transformational value; approximately 90 per cent plan to maintain or increase footprint in India. (Source: NASSCOM Report)

Key emerging industry trends

The table below shows the evolution of the Indian IT-BPM industry over the past four decades in terms of various metrics:

	1980-1990	1990-2000	2000-2010	2010 onwards
Revenue (USD billion) ¹ ..	1	>8	~78	~146

Employees (million) ¹	0.06	0.34	2.3	3.5
No. of firms ¹	<1,000	~2,000	10,000-12,000	>16,000
GDP share ¹	~1%	1.8%	6.1%	9.5%
Exports share ²	<5%	10.5%	26%	37.8%
Share in global sourcing. ¹	-	-	47%	55%
Tipping point.....	-	Y2K	Global delivery model	SMAC
Value addition	• Low-end support & development • Time and material pricing	• Standardisation, productivity improvement • Non-critical functions • Project-based • Fixed cost, Time and material	• End-to-end services • Strategic partner; non-linear growth • Pay-as-you-use • Higher end services	• Digital transformation • Domain specific services • SMAC, innovation • Outcome based

Notes:

1. Data for FY 1991, FY 2000, FY 2010 and FY 2015.

2. Share in total services export.

(Source: NASSCOM Report)

Trends in the exports markets

According to NASSCOM, fiscal year 2015 is expected to see the Indian IT-BPM exports market at USD 98.5 billion, recording a 12.3 per cent growth from USD 87.7 billion in fiscal year 2014. The ER&D and product development segment is expected to be the fastest growing segment at 13.2 per cent, driven by higher value-added services from existing players and an increased business from global in-house centers (“GICs”). IT services exports are expected to grow at an industry rate of 12.6 per cent. Value-added services are and SMAC-upgrading legacy systems to be SMAC enabled, greater demand for enterprise resource planning (“ERP”), customer relationship management, mobility from the manufacturing segment and user experience technologies in retail segment are driving the growth in IT services. BPM is being driven by greater automation, expanding omni-channel presence and application of analytics across entire value chain. (Source: NASSCOM Report)

According to NASSCOM, exports to the United States, which is the largest market grew above the industry average, aided by an economic revival and higher technology adoption. Demand from Europe remained strong during the first half of the fiscal year, but softened during the second half due to currency movements and economic challenges. Manufacturing, utilities and retail growth remained strong as clients increased discretionary spend on customer experience, digital, analytics, ERP updates and improving overall efficiency. BFSI, the most mature market experienced cost pressures affecting growth. (Source: NASSCOM Report)

According to NASSCOM, the industry is attempting to shift from a linear to a non-linear growth model and has therefore been following a differentiated growth path. These strategies include both inward and outward looking initiatives. One of the primary strategies focuses on product/IP development and this is further being supported by their verticalised offerings. The expertise developed in specific verticals is enabling IT-BPM firms to deliver innovative products and services to customers that in turn facilitate entry into new markets/ geographies and access to customers. NASSCOM also notes that the rapid upscaling of capabilities around SMAC and other emerging technologies is enabling it to expand services to existing customers and also attract new customers. (Source: NASSCOM Report)

Trends in the domestic market

NASSCOM notes that as an economy, India is beginning to stabilise post the 2014 elections. Overall business confidence is picking up with the new government in place and its policies and economic growth agendas (in particular the Digital India and Make in India policies) have helped drive a vision of a technology enabled India. The government of India's Digital India campaign aims to provide universal access to mobile connectivity in India; re-engineering of the government's business processes using IT to improve transactions; workflow automation within the government; public grievance redressal and other digital initiatives. The total costs of the initiatives pursuant to the campaign are expected to be approximately USD 20 billion. (Source: NASSCOM Report)

NASSCOM notes that in fiscal year 2015, the domestic IT-BPM market is expected to be an approximately USD 48 billion market, an annual growth of 14 per cent from fiscal year 2014. This growth is largely being driven by the growth in eCommerce segment. IT services (at approximately USD 13 billion) and packaged software (at approximately USD 4 billion) segments are the next fast growing segments at 10 per cent and 12 per cent respectively. IT services is being driven by SMAC-cloud enablement, custom developing application for mobile. Further, with the return of focus on infrastructure projects (largely in the later half of 2014), there is

an uptick in demand for systems integration and IT consulting. Small and medium enterprises are also increasingly opting for managed and datacenter services as a cost saving measure. Packaged software is growing on the back of demand for mobile app development, security software, system software and customer analytics products. (Source: NASSCOM Report)

Key growth drivers for the IT industry in 2014

Set forth below are some of the key growth drivers for the IT industry in 2014:

Cost reduction and business efficiency

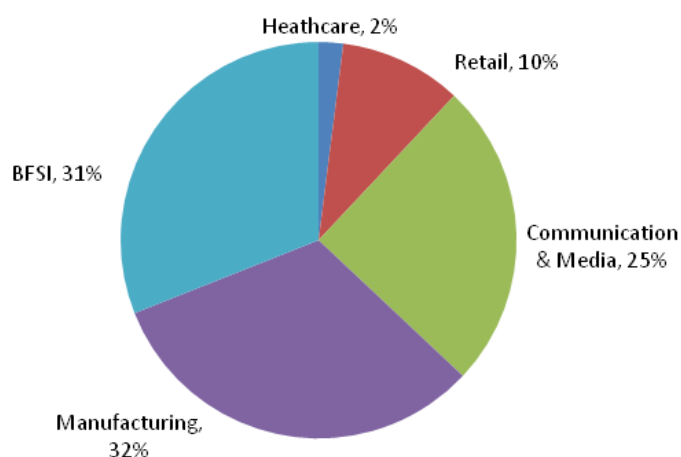
According to NASSCOM, driven by increased competition, some firms took the route of restructuring their businesses to improve profits and reduce costs, while some looked at inorganic growth and collaboration and investing in SMAC. The global spend on IT services grew 1.2 times over the last five years. According to NASSCOM, major organizations have been restructuring and revamping their existing businesses with a focus on profitability over scale and size. (Source: NASSCOM Report)

The market for global sourcing grew nearly twice as fast as the growth in global spending on information technology in 2014 compared to 2013 (see “*The Global IT-BPM Industry – overview and trends in 2014 – global sourcing growth (USD billion)*”), with India's share of this spend increasing from 66 per cent in 2013 to 67 per cent in 2014. (Source: NASSCOM Report)

New verticals, geographies, clients and services

NASSCOM notes that while BFSI and manufacturing continued to be the leading verticals in terms of spending on information technology (amounting to approximately 60 per cent of the total spend for 2014), healthcare, retail, government and utilities were the emerging verticals that contributed approximately 12 per cent of the total spend for 2014. According to NASSCOM, analytics and cloud implementation were the key growth drivers across verticals. (Source: NASSCOM Report)

The chart below shows the global IT spend for the key verticals for 2014:



100% = USD 657 billion

(Source: NASSCOM Report)

A significant percentage of this growth was led by the Americas and the Asia-Pacific market, with a growth rate of 5 per cent and 4 per cent respectively in 2014. The Americas had the highest growth in the spend on IT and APAC and EMEA recorded average growth.

In terms of services, IS outsourcing was the largest service sector in terms of IT spend for 2014 (with a 39 per cent share of the total IT spend). According to NASSCOM, IS outsourcing growth is expected to further improve, mainly driven by the demand for software defined infrastructure consumption model. Hybrid-cloud-infrastructure adoption across industries, captured by infrastructure as a service (“IaaS”) provides the main

driver.

Trends of IT spend in key verticals

Banking

ISG notes that the banking industry worldwide is in a state of flux. In Europe a lower economic outlook, low interest rates, increasing regulation and regulatory penalties continued to impact the financial performance of large banks in 2014. In the Asia Pacific, and particularly in India growth in new bank licenses and grants of differentiated banking licenses such as payment banks is expected to drive outsourcing spending. Ever-changing and increasing regulations, escalating compliance costs and higher capital requirements are impacting banks' profitability and return ratios. That creates pressure to reduce operating costs and improve return ratios. Banks now also need to cater to the millennial generation, which has demonstrated a preference for alternate and emerging channels. These pressures are driving outsourcing spend in the vertical, apart from spending related to compliance initiatives. (Source: *Momentum – Market trends and insights report - 2015 Vertical Industries Report*, Information Services Group, June 2015 (the "ISG Report"))

Set forth below are some key trends relating to IT spending in the banking sector:

New age customers in focus, innovation in demand: ISG notes that "millennials" are one of the largest customer segments for most retail banks. Clients are interested in partnering with service providers that have developed specific capabilities in segmenting customers based on transaction history; can enable custom offerings; and can help engage, mine and retain their millennial clientele better. (Source: *ISG Report*)

Higher cost of compliance: Banks continue to face challenges in meeting regulatory compliance requirements. These requirements have been driving outsourcing spend for the last few years in the vertical. ISG observes that mature clients in the vertical are engaging with service providers that enable them to optimize compliance spending through automation and other efficiency enhancements. (Source: *ISG Report*)

Regional banks an area of opportunity for smaller service providers: Regional banks continue to invest in automation, process and productivity enhancements and in alternate channels. Their focus on productivity improvement and cost rationalization provide a huge opportunity for smaller service providers to make inroads into this market and help first time outsourcers. (Source: *ISG Report*)

Competition from non-traditional firms lead to new investments: Non-bank lenders have made significant inroads into core banking activities such as lending and payments over the last few years. These firms include microfinance, insurance companies, venture capital and private equity firms, asset management firms, and peer-to-peer lending companies. Such competition from new age firms is forcing banks to invest in new and alternate channels, as well as data management and predictive analytics platforms. They are also optimising processes for quicker turnaround of business requests and lowering transaction costs for the end customer while ensuring stickiness and higher lifetime value. (Source: *ISG Report*)

Energy

According to NASSCOM, the key trends in the energy vertical for 2014 were:

- Offshoring is driven by the need to comply with government regulations, lower time to market and cost savings.
- Digitization – Smartgrids, predictive analytics and condition monitoring, wireless M2M solutions for production monitoring, advanced analytics and forecasting and 3D mapping.
- There are opportunities for Indian firms in detailed engineering, testing, verification and validation and embedded systems.

(Source: *NASSCOM Report*)

Manufacturing

Semiconductors

ISG observes that there are different outsourcing drivers within the semiconductors vertical depending on the particular company's value chain position. Foundries are most focused on driving costs out of operations. Scalability and cost savings are strong selling points for these clients. Design houses are driven by research and development. When selling to that segment, service providers should emphasize their ability to improve speed-to-market. ISG observes a need to embrace and offer new products and services — including ones related to mobility, automation, analytics, X-as-a-service, other cloud technologies, information security, the IoT, social media and other emerging technologies — is a major influence on business activity and outsourcing within companies across the tech sector. Although specific outsourcing engagements vary by industry, the drivers are the same: the need to enhance innovation and protect profitability because customer preferences and the competition are changing quickly. (Source: ISG Report)

Materials

ISG observes that economic volatility is continuing to drive focus on cost reduction in this sector. Clients are very particular about cost reduction and there is huge demand to convert most capital expenditure to operational expenditure. Engineering services has become a prerequisite capability for heavy engineering specific verticals such as materials. ISG observes that IT and BPO service providers may get invited to execute engineering services contracts due to their existing relationships with the CIO office. But in the long run client retention demands deep engineering domain expertise. Service providers that bring in partner firms in the engineering space stand a good chance to win and retain clients. (Source: ISG Report)

Conglomerates

ISG notes that cost-cutting and operational efficiency represent key drivers in this sector. There is opportunity for conglomerates to be successful by increasing efficiency through outsourcing in areas such as product design and product management. It is important that service providers showcase their capability to provide business-specific solutions that address the client's business risk while helping them reduce cost. Emphasis is also placed on service providers being able to display global delivery capabilities that can address both the client's local requirement and risk in transition from one cost-effective location to the other. (Source: ISG Report)

Construction

ISG notes that the need to modernize infrastructure, centralise operations and manage capital expenditures are prominent challenges facing this sector. As such, there is a need to invest in outsourcing in technology areas such as scaleable software solutions, collaborative solutions, cloud-based building information modelling platforms and analytics. (Source: ISG Report)

Retail

ISG notes that outsourcing has been increasing in the retail vertical during the past few years as the nature of the business continues to change and retailers aggressively seek to reduce costs. (Source: ISG Report)

Set forth below are some key trends relating to IT spending in the retail sector:

Increased spending on outsourcing among mid-sized retailers: ISG notes that retail companies with revenue in the range of USD2 billion to USD5 billion have significantly increased their level of activity in terms of sourcing. ISG notes that there were multiple outsourcing transactions in 2014, especially in the specialty retail business. (Source: ISG Report)

Need for integrated solutions: Retail clients are looking at applications and infrastructure together, and they are looking at a single provider to source both. Clients are seeking value in consolidating and giving everything to one service provider so that they can develop a more meaningful relationship even if the firm is smaller. (Source: ISG Report)

Service providers lack integrated capability: Service providers in the retailing industry have been investing in domain capability and hiring consulting resources. However, there is a bit of an integration challenge for service providers, even though some are promoting an integrated story of offering one platform that will run all systems, whether it is applications or infrastructure. (Source: ISG Report)

Emergence of niche players: Many smaller companies have emerged as specialists in areas of social media, analytics and mobility solutions for retailers. Clients are relying more on hiring specialist firms that can roll out their mobility rather than the traditional service providers, which are unable to offer end-to-end services in these areas. (Source: ISG Report)

Greater enthusiasm toward the cloud: Since retail companies want to reduce operating expenses and maximize savings, and also want to deliver seamless experiences to their customers, cloud computing is a good fit. (Source: ISG Report)

Aerospace

Many firms in the aerospace segment are enthusiastic about the civil aviation segment, with new airlines coming to the market. The stress on research and development and innovation is driving engineering services. ISG observes that clients are partnering with service providers that are flexible and offer managed services and risk-sharing models. Service providers are advised to be flexible and work with clients through new engagement models like gainsharing, while enhancing their engineering services and product development capabilities. (Source: ISG Report)

Media

ISG notes that there are two distinct outsourcing client profiles within the media industry. ISG classifies the two types as “mature” and “immature” outsourcing companies. Mature, experienced outsourcers mostly have already undergone major transformation programmes and currently are concentrating on adjusting their outsourcing engagements to provide incremental savings. Large, transformational opportunities exist at “immature” clients, but these companies are very circumspect about outsourcing. They often do not accept the premise that an outside firm can manage operations better than they can do it themselves. These potential clients are challenging to win, but they offer large potential rewards for service providers because of the scope of opportunity. (Source: ISG Report)

Where media companies fall on the maturity scale often relates directly to how much they have embraced digitalization, which has disrupted the industry. Media companies that are on the front edge of offering digital content through mobile and other channels also tend to be the companies that have undergone transformation and outsource most extensively. Conversely, digital laggards tend to be vertically integrated and manage most of their IT and back-office functions in-house. (Source: ISG Report)

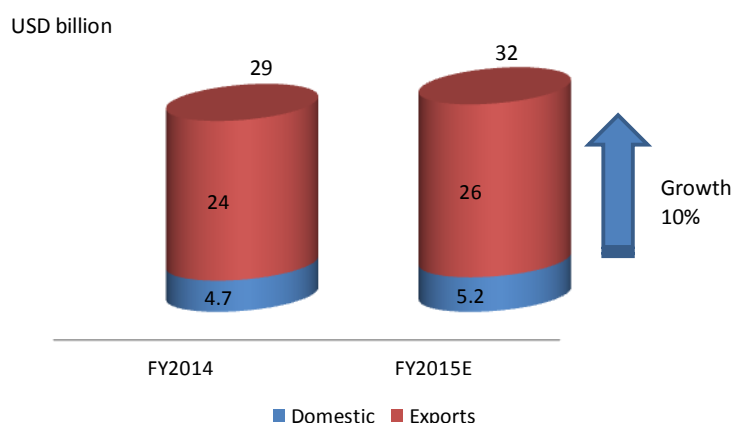
ISG observes that there is a market for cloud storage services in the vertical. The amount of content that media companies produce is exploding because of their need to support different distribution channels. Investing to expand traditional infrastructure becomes cost-prohibitive as storage needs scale, which has led to a strong demand for cloud storage that ISG expects to continue. Outsourcing service providers can promote the new ideas, services and technologies the media industry needs. ISG observes that specialized digital services are a powerful lead-in for winning attention and new business in the vertical. There is strong current demand for content management systems and services that can span all delivery channels (such as mobile, web, print and podcast/audio). (Source: ISG Report)

Set forth below are the key trends in certain service offerings for 2014:

Custom Application Development and Management

According to NASSCOM, custom application development and management (“CADM”) has seen an approximately 13 per cent CAGR in revenues over the past five years. India's share in the global CADM market is approximately 30 per cent. Further, approximately 95 per cent of the IT firms operating in India offer CADM services. NASSCOM notes that CADM is expected to see a 10 per cent growth in exports and 12 per cent growth in domestic business for fiscal year 2015 compared to fiscal year 2014. CADM is expected to have the highest share in IT services export (48 per cent) for fiscal year 2015. (Source: NASSCOM Report)

NASSCOM notes that the growth in CADM is driven by specialized services. The chart below shows the expected growth in CADM for fiscal year 2015, compared to fiscal year 2014:



(Source: NASSCOM Report)

NASSCOM notes the below key trends in relation to CADM:

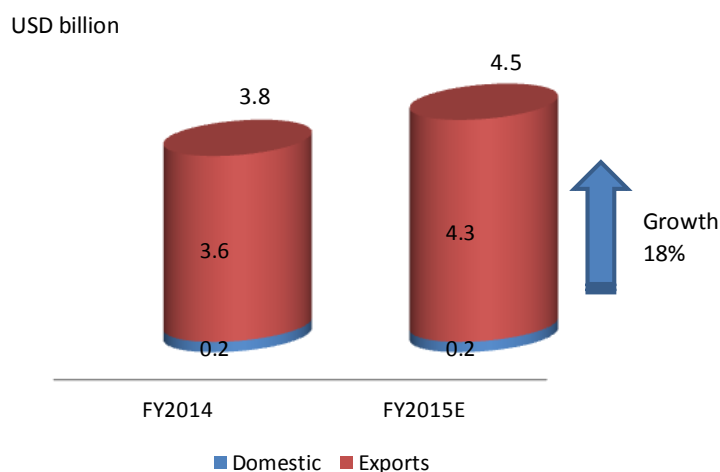
	Trends
Supply side	- Specialized application development management services are the key focus - Rise in large scale business transformation contracts - Local investments to mitigate risks - Expansion beyond core developed market
Demand Side	- Growing demand for CADM services - US and UK remain key markets - Increased focus on offshoring ADM by small and medium businesses from developed markets
Technology Impact	- Platforms and mobile app development-gaining traction - Partnering with cloud service providers to offer platform-based CAD services

(Source: NASSCOM Report)

Testing

NASSCOM notes that software testing is expected to see an 18 per cent growth in exports and 7 per cent growth in domestic business for fiscal year 2015 compared to fiscal year 2014. Testing is expected to have an 8 per cent share in IT services export for fiscal year 2015. Testing has seen an approximately 18 per cent CAGR in revenues over the past five years. (Source: NASSCOM Report)

The chart below shows the expected growth in growth in testing for fiscal year 2015, compared to fiscal year 2014:



(Source: NASSCOM Report)

NASSCOM notes the below key trends in relation to Testing:

	Trends
Supply side	- Agile testing growing in acceptance, still to fully mature - Testing automation, data management-adapting to new technology demands - Crowdsourced testing gaining popularity
Demand Side	- Testing budgets continue to rise driven by demand for mobile and cloud based testing development - Fragmentation, integration and context-driven testing in demand
Technology Impact	- Cloud based testing, IP-led testing, testing-as-a-service; automated testing and testing in domain-specific niche service key drivers for both third party and GICs - Transformational programs using SMAC and IoT – other drivers

(Source: NASSCOM Report)

Digital

NASSCOM notes the below trends in relation to emerging technologies and digitization:

New Technologies	Opportunities	Case Examples
Big Data/Analytics	Global Big Data market opportunity is estimated to grow at 45 per cent annually	Gramener, data analytics firm analyses large-scale data and presents it through real-time dashboards. Builds domain-specific business intelligence solutions to integrate visualizations with clients' platforms
Platforms/Business process as a service	Platform-as-a Service (PaaS) to attain a 41 per cent CAGR through 2016	
Social Media	27 per cent of firms outsource their social media research efforts, top 3 areas: design/development, content creation and analytics	Firstsource runs social media forums for its clients, where customers can engage in discussions about products or services
Mobility	Industry-specific: Mobile banking, mobile commerce, airline mobile ticketing, clinical	

New Technologies	Opportunities	Case Examples
	trials	
Robotic Process Automation (RPA)	40 per cent of existing BPM work to get impacted by RPA with 40 per cent lower cost impact	Sutherland's partnership with Blue Prism-a RPA technology provider. Has signed an RPA-led deal with an European travel firm

(Source: NASSCOM Report)

ERP

Gartner notes that “application management services for the ERP ecosystems continue to be a significant source of spending (over 80 per cent) of total cost of ownership across the life of the application suite. Therefore, sourcing managers and applications managers are challenged to ensure high levels of efficiency and efficacy. Digital business initiatives are challenging enterprises to ensure that ERP ecosystems are not only optimized, but also well positioned to be the underlying foundation for all the functionality, applications and new disruptive business processes that will constitute the largest portion of new work in the enterprise”. (Source: Gartner, *Recognize Key Trends and Buying Patterns to Evaluate Oracle Application Management Service Providers*, April 29, 2015) “Further, the need to support digital businesses is forcing enterprises to embrace a “postmodern” ERP, characterized by hybrid cloud environments - workflowed for mobile, social and analytics - with enhanced user interfaces”. (Source: Gartner, *Market Trends: SAP Service Provider Opportunities in a Postmodern ERP World*, January 26, 2015)

“The areas of fastest growth for Oracle services are in the newer segments of cloud, Fusion Middleware, multichannel and analytics”. (Source: Gartner, *Recognize Key Trends and Buying Patterns to Evaluate Oracle Application Management Service Providers*, April 29, 2015) “The areas of fastest growth for SAP services are in the newer segments of cloud, Hana, multichannel and analytics, even though such services currently account for a small fraction of the SAP service market. Changing buyer demand in service delivery and contracting favors smaller, faster, outcome based delivery. Service providers are innovating accelerated offerings, delivery and pricing models”. (Source: Gartner, *Market Trends: SAP Service Provider Opportunities in a Postmodern ERP World*, January 26, 2015)

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OUR BUSINESS

In this section, unless the context otherwise requires, a reference to our “Company” or to “we”, “us” and “our” refers to Larsen & Toubro Infotech Limited and our Subsidiaries on a consolidated basis. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our consolidated Restated Financial Statements.

Overview

We are one of India’s global IT services and solutions companies. In 2014, NASSCOM ranked us as the sixth largest Indian IT services company in terms of export revenues. Our clients comprise some of the world’s largest and well-known organisations, including 41 of the Fortune Global 500 companies.

We offer an extensive range of IT services to our clients in diverse industries such as banking and financial services, insurance, energy and process, consumer packaged goods, retail and pharmaceuticals, media and entertainment, hi-tech and consumer electronics and automotive and aerospace. Our range of services include application development, maintenance and outsourcing, enterprise solutions, infrastructure management services, testing, digital solutions and platform-based solutions. We serve our clients across these industries, leveraging our domain expertise, diverse technological capabilities, wide geographical reach, an efficient global delivery model, thought partnership and “new age” digital offerings.

We were incorporated in 1996 and are headquartered in Mumbai, India. We leverage the strengths and heritage of our Promoter, Larsen & Toubro Limited, a leading Indian conglomerate in engineering, construction, manufacturing, finance and technology. The L&T group provides us with access to professionals with deep industry knowledge in the sectors in which we do business. We have also inherited from the L&T group its corporate and business culture and corporate governance practices, which in our view places us in good stead in relation to our business. In addition, we benefit from our “Business-to-IT Connect” model, which we derive from the commonality of business verticals with our Promoter. For further details, see “Our Business – Our Competitive Strengths – Strong domain focus enabling Business-to-IT Connect” from pages 119 to 120.

Our growth has been marked by significant expansion of business verticals and geographies in which we do business. Besides India, we provide services globally and the percentage of our revenue from continuing operations from North America, Europe, Asia Pacific and the rest of the world amounted to 68.6%, 17.9%, 2.4% and 6.9%, respectively. As of June 30, 2015, we had 22 Delivery Centres and 42 sales offices globally.

As part of a business restructuring exercise conducted by our Promoter, all engineering services businesses of our Promoter have been consolidated under a separate subsidiary of our Promoter, LTTSL. As part of this restructuring, on January 1, 2014, we sold and transferred the assets and liabilities of our PES Business to LTTSL. Our PES Business was responsible for the operations of our telecom cluster, providing IT services and solutions to our clients in the telecommunication sector. For further details on our PES Business, see “Our Business – Notable Developments” on page 133.

Our revenue from continuing operations increased by a CAGR of 20.4% from ₹ 34,278.57 million in Financial Year 2013 to ₹ 49,680.94 million in Financial Year 2015. Our USD revenue from continuing operations comprise amounts in foreign currencies across our operations, excluding the United States, that are converted into USD using the month-end/day-end exchange rates for the relevant period. In USD terms, our revenue from continuing operations increased by a CAGR of 13.4% from USD 630.0 million in Financial Year 2013 to USD 809.9 million in Financial Year 2015. Our net profit from continuing operations increased by a CAGR of 22.1%, from ₹ 5,100.38 million to ₹ 7,600.05 million during the same period. During this same period, our total number of employees increased by 23.0%, from 15,833 as of March 31, 2013 (excluding employees of our PES Business), that has been consolidated under a separate subsidiary of our Promoter (see “Our Business – Notable Developments” on page 133) to 19,479 as of March 31, 2015.

Our Competitive Strengths

We believe that our principal competitive strengths are as follows:

Strong domain focus enabling Business-to-IT Connect

We are among the few IT service providers that are part of a diversified business conglomerate. We are part of the L&T group, whose businesses span multiple industry segments. Our “Business-to-IT Connect” model primarily leverages the domain experience and institutional knowledge of the L&T group across industries to assist us in developing and delivering IT services and solutions that benefit our clients. Our Business-to-IT Connect model is supplemented by the knowledge sharing of subject matter experts from L&T group companies to facilitate the development of solutions driven by business context and domain knowledge.

We believe that our Business-to-IT Connect proposition provides us with an advantage over our competitors in that we are able to capitalise on strategic opportunities at a faster pace due to the readily available domain and institutional knowledge at our disposal. Over the past ten years, we have built a strong domain orientation across our business verticals in the way we approach our clients with solutions to their business objectives and the way we deliver services to them.

For example, we were able to use our Business-to-IT Connect model in relation to the IT services that we provided to a global automotive original equipment manufacturer for the establishment of a “smart factory” initiative. Subsequent to our request, our parent company disseminated its knowledge on smart factories to us to capture machine information and effectively use digital technologies in relation thereto. Specifically, L&T teams presented to us on the methodologies, approaches and solutions relevant to this engagement which was very helpful for our employees in delivering services to our client.

Strong parentage and brand equity of our Promoter

The “L&T” brand is one of the most well-respected brands in India, which we believe provides us with a competitive advantage, particularly in: attracting talent and new clients; benefiting from our Promoter’s global network; exploring potential business opportunities; best corporate governance practices; accessing capital; and establishing ourselves as a thought partner with the top management of many global corporations. We have and shall continue to capitalise on the ability to engage with and obtain work from strategic global clients, vendors and partners of the L&T group. This differentiates us from our market competitors that are standalone companies, as we are able to take advantage of exposure to L&T group relationships that are familiar with and trust our Promoter’s brand. Our Promoter’s parentage has contributed towards our growth in the IT services industry, and will continue to help us achieve our strategic objectives.

Established long-term relationships with our clients

Client relationships are the core of our business. Our clients include many leading businesses, including 41 of the Fortune Global 500 companies. Our track record of delivering an extensive range of solutions using our global delivery model, demonstrable industry and technology expertise, and sensitivity to our clients’ feedback, has helped us forge strong relationships with our major clients. For example, in Financial Year 2015, we had twenty clients who generated above USD 10 million in revenue, eight clients who generated above USD 20 million in revenue and three clients who generated above USD 50 million in revenue, which is reflective of such strong client relationships.

We have a history of high client retention and derive a significant proportion of our revenues from repeat business (defined as repeat business generated in the preceding Financial Year) built on our successful execution of prior engagements. In Financial Years 2015, 2014 and 2013 we generated 98.1%, 96.9% and 97.5%, respectively, of our revenue from continuing operations from existing clients across a range of business verticals. In addition, as of March 31, 2015, we had been engaged with over 100 clients for more than three years and had been doing business with two of our largest clients for over ten years. In order to improve our service delivery and facilitate repeat business, we carry out regular surveys, which is important for us to ensure a high level of client satisfaction through continued feedback. We strive to be flexible to our clients’ business needs and requirements, in part through our Thought Partnership™ program, which is a strategic level programme, designed for us to work with executive officers and business leaders from our clients in terms of addressing their current issues and business needs, such as reducing run costs, re-aligning IT with business changes, and helping envision their future technological needs in line with projected business trends.

We have an active and institutionalised approach for managing client relationships. We engage our clients by having a collaborative sales and marketing model where our sales, solutions and delivery teams participate in the sales process. While our sales and account managers assist our clients in day-to-day account management, members of our executive team also help manage strategic client accounts. These relationships have helped us better understand our clients’ business needs and enabled us to provide effective solutions to meet these needs.

Extensive portfolio of IT services and solutions

We have an extensive portfolio of IT services that we offer our clients to address their different business and technology needs. We have continuously invested in broadening our IT service portfolio to span consulting, IT services and software platform-based services, which we tailor to our clients' specific needs and industries in which they do business. Our suite of business solutions includes technology consulting, enterprise solutions, systems integration, custom application development, application maintenance and production support, infrastructure management, independent testing and validation, Cloud ecosystem integration and business platforms and solutions. The solutions that we provide our clients are technology agnostic. In other words, we do not advocate a particular technology/product and offer the solutions most appropriate to the needs of our clients.

We believe that our extensive portfolio of IT services and solutions enables us to grow our client relationships and scope of engagements, as well as instill our clients with confidence in our ability to address their diverse and dynamic business needs.

Focus on emerging technologies

We look to assist our clients to “engage the future” through our focus on emerging technologies. We invest in new technologies and track new business trends, and believe that every industry will increasingly adopt digital as a key component of its overall IT solutions and services expenditures. We define our digital business as solutions and services offered to clients through the fusion of “new age” technologies for disruptive business transformations, including as part of our Thought Partnership™ programme. Such transformations are enabled by creating innovative business models leading to enhancing client experiences and greater operational efficiencies. Some of the technologies that we consider as “new age” include:

- Social
- Mobile
- AIM
- Cloud Computing
- Big Data
- IoT
- Enterprise Integration
- Business Process Digitalisation
- User Experience
- Cognitive Computing

Over the past few years, we have aligned our existing areas of expertise and have created focused initiatives in developing capabilities in emerging technologies, which we eventually intend to offer under a specific brand. In Financial Year 2015, our digital solutions service line represented 9.5% of our revenue from continuing operations.

Our investment in the digital practice is focused on providing our clients with a competitive edge, as well as giving us a competitive advantage in the market. Our digital assets have received multiple industry recognitions. For example, in 2015, the World Innovation Congress recognised our “ServiceFirst™” application (which provides for aftermarket service management across service ecosystems) as the “most innovative Cloud platform as a service”. Moreover, in 2015, the NetApp® Innovation Awards recognised us for our efforts in “innovation in big data”.

Track record of established processes and executing large, end-to-end, mission critical projects

We believe that we have a reputation for delivering high quality IT solutions and services, as well as timely project completion within agreed cost parameters. We have expanded our offshore, onshore and near shore presence, thus growing and developing our global delivery model and the services it provides, which are, as a result, sufficiently flexible to be adapted to respond to our clients' objectives, particularly with respect to security, scalability and cost.

Our company has a track record of executing a number of large, end-to-end, mission critical projects in diverse business areas and technology domains for clients. For examples, see “Our Business – Our Clients – Key Client

Relationships” on page 138. As part of our execution of large and complex projects, we leverage our expertise in providing comprehensive project/ programme management through our global delivery model (see “Our Business - Global Delivery Model” from pages 133 to 134) and our clients benefit from our experience in multiple technologies, industry knowledge, project management expertise and proprietary software engineering tools developed in-house. Our company has successfully competed globally to win projects and our success in such engagements has enhanced our recognition in the global marketplace.

Strong management culture

We have built a strong management culture, which has been influenced by our parent company’s core values and work ethic. Since we started doing business, our parent company has instilled in us its sense of purpose and passion in the manner in which it does business, and we cherish and live by those values. Our management culture is collaborative and team-oriented, which is inherent in the way we do business and we believe this is a source of competitive advantage.

Our management team comprises seasoned technology professionals with global experience, as well as professionals with deep experience in the domains of our clients, which has helped us deliver strong financial performances consistently. We believe that this blend, together with a strong management culture, helps our management team develop deep insights, anticipate trends in the market, and devise and execute our company’s strategy effectively.

Conducive work environment to attract and retain talent

People are critical to our business and our ability to grow, depends to a large extent on our ability to attract, train, motivate and retain employees. We have a highly skilled, well-trained and diverse employee base, which provides us with the flexibility to adapt to the needs of our clients and the technical requirements of the various projects that we undertake.

We are recognised as a preferred employer in the Indian IT services industry. In 2014, NASSCOM ranked us among the top 20 IT BPM employers in India. Moreover, in 2015, we won five awards from the World HRD Congress in relation to our Indian operations, including training organisation of the year, best leadership development for middle management, best leadership development program for top management, and most innovative use of training and development as an HR initiative for OD. We are committed to the development of expertise and know-how of our employees, as demonstrated by regular technical seminars and training sessions organised by us. We focus on performance management, providing input on leadership qualities, mentoring and periodic reviews for career alignment and planning.

Our Business Strategies

The key elements of our business strategies are as follows:

Focus on a targeted client portfolio

We intend to continue building long-term sustainable business relationships with our existing clients to generate greater revenues. This involves inter alia increasing the scope of engagements with our existing clients; selling additional services to them; deploying project managers, delivery specialists and other professionals to provide value-added business solutions; and eventually become a thought partner with them in terms of their existing and future business needs by identifying priority solutions in consultation with industry experts.

As part of the foregoing strategy, we plan to have an optimal client portfolio to better focus and serve our clients across the geographies and industries in which we do business. We have a track record of high client retention and as our client relationships mature and deepen, we seek to expand the scope of services offered to those clients to achieve incremental revenue growth. Our ability to establish and strengthen client relationships and expand the scope of services we offer to clients will help us grow our revenues and profits.

Targeting higher total contract values

We are targeting clients who have the potential to offer opportunities with large total contract values. We intend to originate large engagements by either identifying opportunities with our existing client accounts or by targeting new clients whose existing engagements with IT vendors will be up for renewal. We plan to achieve a higher value client portfolio by focusing on annuity applications and infrastructure management service deals,

which tend to be long-term in nature. As part of this strategy, we will need to provide clients with greater pricing flexibility and optionality; further develop our client-specific, industry-specific, technological and other solutions required for larger engagements; provide end-to-end services, improve our service delivery across our global delivery model; capitalise on our strengths, such as our Business-to-IT Connect model and leverage our Promoter's parentage; build additional and more holistic relationships with globally well-known software vendors and other partners; and engage in tailored marketing campaigns for specific client accounts. Furthermore, we are in the process of investing in and building sales operations capabilities to establish standardised processes to facilitate our targeting of larger and higher-value client engagements. We believe that the foregoing will enable us to deliver greater value-added IT solutions to our clients' businesses and increase our share of their IT expenditures.

Continue to focus on emerging technologies

We regularly track new technologies, industry segments and market trends in the IT solutions market and believe that digitalisation will increasingly become systematically critical in the future. We plan to further enhance our digital platforms, build industry and technology frameworks, the IoT, business process digitalisation and end-to-end digital transformational delivery capabilities. With respect to business process digitalisation, we plan to further develop automation tools providing greater value-added propositions to our clients to bring about business processing efficiency for them. We have established business relationships with a number of players in the digital space and, in addition to our existing capabilities, such relationships will further enable us to develop complex ecosystems along with our partners as a value-added proposition to our clients. In addition, as part of our strategic focus in India, we are *inter alia* positioning ourselves to cater to "Smart Cities" opportunities that we have identified therein.

Expand our focus on infrastructure management service offerings

Our IMS service practice offers a wide spectrum of end-to-end services covering IT infrastructure consulting, design, managed services, migration services, operational support, desktop support, and Cloud enablement, hosting and migration. We aim to leverage our "Business 1st" approach with respect to IMS, which provides extensive services to clients *inter alia* using application development, maintenance, support and testing services, which collectively assist our clients automate their business processes through customised service delivery plans that are aligned with their business needs and objectives. Similar to our approach in relation to emerging technologies, we have agreements with a number of players in delivering our IMS service offerings in a technologically-agnostic way. This approach is beneficial to our clients and helps establish our credibility with them with a view to eventually becoming their thought partners and long-term service providers.

In addition, we are currently looking for strategic acquisition opportunities in relation to our IMS business. We are specifically looking to acquire a complementary business, technology, service or product that can provide us with access to new markets, capabilities or assets in relation thereto.

Expand our geographical presence

We market and distribute our solutions directly through our global delivery model (see "Our Business – Global Delivery Model" from pages 133 to 134). We have historically been dependent on North America and Europe for most of our revenues. In Financial Year 2015, revenues originating from North America and Europe represented 68.6% and 17.9%, respectively, of our revenue from continuing operations. While we intend to continue expanding our presence in the United States and Europe, we also plan to expand our geographical reach in other markets that we have identified as having potential, including Australia, Singapore, Japan, South Africa, India and the Middle East. We are in the process of augmenting our teams in these markets to further explore the opportunities therein.

With respect to our operations in South Africa, the Nordic region and the Middle East, we view these regions as gateways to the rest of Africa, Eastern Europe/the Baltic region and the Middle East/North Africa region, respectively. As such, we intend to allocate resources to these markets not only for pure-play market opportunities therein, but also as stepping-stones to other client opportunities that we can identify through greater regional experience, expertise and client referrals. For example, in South Africa, we recruit local nationals to assist in our market penetration efforts, in addition to complying with local regulatory requirements. In the Middle East we intend to leverage the strong presence of the L&T group, which is engaged in the oil and gas, construction and transportation sectors.

We have identified Germany and France as important markets for us going forward and we would like to enhance our capabilities and address gaps in language capability, industry expertise, technical expertise and geographic coverage in these countries. As such, we are also currently contemplating pursuing strategic acquisitions in these markets.

Strengthen our brand name in the Indian and global IT services market

The “L&T” brand is well-established as one of India’s most prominent conglomerates and we have benefited from such parentage. At the same time, we intend to further strengthen our “L&T Infotech” brand by continuing to deliver high quality services to our clients, enhancing our market positions in the markets in which we do business and becoming a thought partner with our clients.

Accordingly, we have engaged in a number of brand building exercises, and intend to continue strengthening our brand in the IT services marketplace through brand building efforts, communication and promotional initiatives, such as interacting with industry research organisations and prominent publications, industry analysts, participating in industry events, public relations and investor relations efforts. We also plan to conduct various customised client events, including seminars, roundtables and breakfast sessions on identified industry or technology specific themes with a view to delivering a focused message on our capabilities, experience and value proposition relevant to the specific theme. In addition, we connect with academia through our campus connect programmes and look to further build our brand by attracting the best talent.

We believe that an established record of excellence, the foregoing initiatives and the listing of the Equity Shares will enhance the visibility of our brand name, contribute to our recruitment and retention initiatives and strengthen our recognition as a leader in the Indian IT services industry.

Focus on greater internal operational efficiency

We plan to continue developing and investing in frameworks, accelerators, in-house proprietary solutions and customised software processes to drive efficiencies internally. We also plan to increase our profitability by streamlining our cost structure with a focus on high employee utilisation and optimising resource mix. We have a specific department to identify and implement direct cost reductions in our operations. To this end, business process digitalisation is important in streamlining our cost structure to make us more operationally efficient. We plan to automate various project delivery processes as well as internal IT service processes to enhance human productivity and once various tools are developed in relation thereto, we plan to institutionalise their usage across our business units, which will provide us with the appropriate business platform to be more efficient. We also plan to introduce specific business process digitalisation initiatives in relation to our business verticals and service lines for us to realise operational cost savings. We believe that the foregoing initiatives will allow us to move up the value chain with respect to services offered.

Operations

We have organised our business into industrial and services clusters to service the market with a focus on business verticals, achieving greater delivery efficiency by cross-utilising resources within similar business verticals, and generally providing management with greater bandwidth for review and control.

Our Business Verticals

We combine our range of service offerings with industry-specific experience to provide services to clients engaged in various business verticals.

The following table presents the percentage contribution of our various business verticals to our revenue from continuing operations for Financial Years 2015, 2014 and 2013:

Business Verticals	Percentage of our revenue from continuing operations		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
Banking and Financial Services	27.1%	26.0%	29.1%
Insurance	20.0%	18.8%	17.9%
Energy and Process	16.2%	22.0%	20.8%
Consumer Packaged Goods, Retail and Pharmaceuticals	9.3%	8.4%	7.3%
Hi-Tech and Consumer Electronics	6.9%	7.4%	10.0%

	Percentage of our revenue from continuing operations		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
Business Verticals			
Automotive and Aerospace	5.7%	4.2%	3.5%
Media and Entertainment	5.4%	4.6%	4.3%
Others*	9.4%	8.6%	7.1%
Total	100%	100%	100%

* Includes plant equipment, utilities, engineering and construction and travel and logistics.

Banking and Financial Services

We deliver end-to-end IT solutions to our BFS clients. This business vertical contributed 27.1% of our revenue from continuing operations in Financial Year 2015. According to the Everest Group's Banking Application Outsourcing Service Providers' PEAK Matrix Assessment published in 2015, we were positioned as a "major contender" in respect of our market success (as measured by the ACV of large active AO deals, the number of large active AO deals and our yearly vertical specific AO revenue growth) and our delivery capabilities, among banking-application outsourcing service providers.

Our BFS clients are primarily based in the North America, Europe, the Asia Pacific, South Africa and India. Our largest client in Financial Year 2015 was Citibank and accounted for 14.1% of our revenue from continuing operations for such year. For further details, see "Our Business – Our Clients – Key Client Relationships – Our relationship with Citibank" on page 138.

Our core service offerings in this business vertical are:

Capital Markets and Investment Banking: We provide business solutions, capital markets and investment banking IT services across the financial and securities industries. We have experience in working with global financial institutions to develop their IT solutions for pre-trade, trade and post-trade processes. Our areas of expertise include custody and settlement, asset servicing, transfer agency and income statement reporting.

Wealth and Asset Management: We deliver wealth and asset management IT services across various asset classes in functional areas such as portfolio management, private banking and fund accounting. Our SaaS- based transfer agency solution, Unitrax[®], is used by fund houses in Canada.

Corporate and Retail Banking: We offer corporate and retail banking IT services and solutions to corporate financial institutions in various areas, including CRM, enterprise data management platform mobility, mobile banking, customer centric channel banking, cash management, trade finance, lending, leasing, payments and cards.

Finance, Risk and Compliance: We offer a range of services, including consolidation of financial data across multiple banking entities and the development of IT solutions for in house financial reporting, risk management, and regulatory compliance in areas including KYC, AML, Basel regulatory framework, CCAR and FATCA.

We also provide the following "new-age" service offerings to our clients in this business vertical:

Digital Transformation: We implement large digital channels transformation programmes to deliver consistent banking experience across multiple digital channels. We leverage smart devices and our UXD to enhance user experience.

Front to Back Automation: Our IT services enable banks to reduce their total cost of ownership by implementing technologies such as machine learning, robotics automation, digitisation and business process management. We leverage our solutions to enhance operational efficiencies and data management.

IT Simplification: We provide thought partnership to clients' CIOs for application portfolio rationalisation, legacy modernisation and decommissioning services.

Development Operations Digital Delivery: We offer strong expertise in development operations execution to respond to the business needs of global banks leveraging Cloud, application lifecycle management and remote layer management tools.

Customer Centric Modeling: We specialise in consolidating data residing in disparate systems to create a central source of information and offer a complete view of banks' customers.

Centralised Risk Based Testing: We specialise in setting up centralised testing COE to accelerate automation, improve operational efficiency, predictability and reduce our clients' costs.

Business 1st™ Production Assurance: Our "Business 1st™ Approach" and global delivery model enables CIOs to consolidate and streamline their run-the-bank operations, enhance productivity, introduce automation and reduce total cost of ownership. For further details, see "Our Business – Global Delivery Model" from pages 133 to 134.

Insurance

We provide industry-specific insurance offerings, including consulting, IT solutions and services across the insurance value chain, with a focus primarily on property and casualty, life and pensions, health market segments, reinsurance sales, administration and policy matters. This business vertical contributed 20.0% of our revenue from continuing operations in Financial Year 2015. According to the Everest Group's IT Outsourcing Service Providers' PEAK Matrix Assessment published in 2014, we were positioned as a "major contender" in respect of our market success (as measured by the ACV of large active AO deals, the number of large active AO deals and our yearly vertical specific AO revenue growth) and our delivery capabilities among insurance IT outsourcing service providers.

Our insurance clients include carriers, brokers, reinsurers, intermediaries and independent software vendors. Our "domain-focused" technology teams enable us to deliver on a wide range of service offerings for our clients. Some of these service offerings include:

Consulting Capabilities: Our domain experts equipped with our assessment toolkits, benchmarking models and KPI dashboards can effectively map a client's insurance landscape relative to the industry and recommend process/technology enhancements to elevate such client's positioning.

Operational Efficiency: Our capabilities in business process management and automation, platform modernisation/replacement and infrastructure optimisation enable clients to streamline processes to reduce their total costs of operations.

Customer Experience: Our digital capabilities enhance customer experience by providing consistent look and feel across different channels and devices. Our UXD and styling enable clients to improve their branding.

Advanced Analytics: Our capabilities in prescriptive analytics, locational intelligence, and text and speech analytics elevate a client's capability to communicate with customers and provide customised products through real time feedback and usage monitoring.

Technology Currency Management: Our technology factories and assessment toolkits provide a comprehensive evaluation of the operational environment and any specific requirements, versioning and risk assessment of our clients' applications and servers and recommend portfolio rationalisation and decommissioning services.

Fraud Control: Our data analysis frameworks and KPI dashboards provide our clients with details on geographic impact, categories and techniques of fraud practices to minimise losses.

Some of our key solutions include:

- *iCEOn:* A SaaS-based pay-per-use platform for insurance community ecosystem.
- *AccuRUSI:* An underwriting workbench enabling efficiency in underwriting process.

Our IT service offerings and solutions are provided for the business areas of:

Claims Optimisation: Our comprehensive sets of toolkits, frameworks and solutions such as digital adjuster analytics for straight-through-processing and automatic allocation enable our clients to improve their operational efficiencies and reduce cycle times.

Underwriting Profitability Improvement: Our underwriting solutions facilitate integration with multiple internal and external systems to facilitate workflow automation across the underwriting lifecycle. These solutions

leverage advancements in technologies such as location intelligence, business analytics, collaboration and mobility.

Distribution Effectiveness: Our portals for agent and partner collaboration, digital assistance for field staff and channel management solutions provide flexibility and adaptability to our client's distribution models.

We work in collaboration with various industry bodies, insurance product companies, technology companies, industry analysts and technical partners. We have expertise in product development and maintenance, which has enabled us to implement the global delivery model for software products in relation to end-to-end software lifecycles. For further details, see "Our Business – Global Delivery Model" from pages 133 to 134.

Energy and Process

We offer end-to-end energy and process software solutions and consultancy for our energy and process business vertical services mainly in three sub-verticals: oil and gas, mining and process manufacturing. This business vertical contributed 16.2% of our revenue from continuing operations in Financial Year 2015.

Our energy and process global clients include, integrated oil companies, national oil companies, petrochemical, process and mining companies and oil field services organisations. Chevron was one of our largest clients in Financial Year 2015 and accounted for 7.0% of our revenue from continuing operations for such year. For further details, see "Our Business – Our Clients – Key Client Relationships – Our relationship with Chevron" on page 138.

Our IT service offerings are in the following key business areas:

Oil & Gas Upstream: We provide IT services pertaining to:

- Geophysical and geological data management;
- Digital oilfield;
- PetroTech services – production optimisation and hydrocarbon accounting; and
- Information management.

Oil & Gas Midstream: We offer IT services to our midstream customers pertaining to:

- Energy trading and risk management;
- Supply chain management; and
- Pipeline management.

Oil & Gas Downstream: Our solutions and services in the downstream are spread across refinery, consulting, retail/marketing and operations. We offer IT services pertaining to:

- Digital refinery;
- Secondary fuel distribution;
- Fuel retail solutions;
- Enterprise asset management; and
- Regulatory compliance management.

Process Manufacturing: Our integrated solutions for the chemicals and process industry connects supply chains to plant processes, production equipment and shop-floor control. We offer IT services pertaining to:

- Structured and unstructured data management for process manufacturing planning, batch tracking and traceability, compliance with manufacturing standards;
- Process automation;
- Inventory and asset management; and
- Remote monitoring.

Mining: We offer IT services to our customers in the mining industry pertaining to:

- Drill and blast planning;

- Explosives management and tracking;
- Blast movement monitoring;
- Mine design and modeling;
- Geological data management;
- Fleet management system; and
- Mining and ore beneficiation.

We provide the following key IT service offerings to our clients across the value chain in the oil and gas, process and the mining industry:

Enterprise solutions: We offer a complete basket of services for enterprise solutions (SAP and JD Edwards) implementation, consolidation, migration and global support across the upstream and downstream segments.

IT for Large Capital Projects: We leverage our Promoter's rich experience in executing large oil and gas and EPC projects in delivering efficiency in terms of both cost and time through the effective utilisation of IT-based solutions.

IT for Operations: We offer services in the operations space, leveraging our Promoter's experience in providing control and automation solutions to the energy and petrochemical industry, and provide the following IT services:

- Process automation;
- Inventory and asset management;
- Asset performance management;
- Regulatory compliance;
- Remote operation monitoring; and
- Manufacturing execution system.

Consumer Packaged Goods, Retail and Pharmaceuticals

We provide IT solutions and services to our clients across the consumer packaged goods, retail, and pharmaceutical industries. This business vertical contributed 9.3% of our revenue from continuing operations in Financial Year 2015. Our clients in these industries include global consumer goods companies, retail chains and global manufacturers of medical devices, pharmaceuticals and consumer goods.

We leverage the engineering, manufacturing, process automation and supply chain management practices of our Promoter to provide Business-to-IT Connect for manufacturers of consumer packaged goods, pharmaceuticals and medical devices. We work closely with our digital solutions and services practice to provide solution accelerators in focused areas, including retail analytics, Cloud platform migration and consumer experience management. We have capabilities for accelerated enterprise solutions rollouts and a global delivery model in highly regulated industries, including food and drug manufacturing.

Hi-Tech and Consumer Electronics

We offer extensive IT solutions and services to our clients in the hi-tech and consumer electronics industries through domain-based offerings to various clients, including semi-conductor manufacturers, foundry manufacturers, original equipment manufacturers, contract manufacturers, solar equipment manufacturers, retailers and distributors. This business vertical contributed 6.9% of our revenue from continuing operations in Financial Year 2015.

Our solutions and services enable semiconductor manufacturing companies to optimise their supply chain process, including supply chain planning cycle optimisation, wafer map analysis, in-memory yield management, and multi-dimensional analytics and reporting solutions. We have several solutions which were developed in-house, that specifically address our clients' needs in the hi-tech and consumer electronics industries.

Automotive and Aerospace

We offer a variety of software services and IT solutions to automotive and aerospace manufacturers and suppliers across the value chain, including research and development, sourcing and operations, distribution and

logistics, sales and marketing, after-sales and customer service. This business vertical contributed 5.7% of our revenue from continuing operations in Financial Year 2015.

In the aerospace and defense practice, we leverage experience from our parent's heavy engineering division to utilise our Business-to-IT Connect model, which enhances the operational efficiencies we provide across the business value chain. We have developed industry-specific solutions within this industry practice, such as warranty management, product traceability and serialisation, product cost and buyer analytics, dealer business management, field force mobility, field service management, engineering-to-order, bid management, voice of customer programme leveraging social media, Big Data using telematics, mobility-based solutions and IoT, which provides connectivity to enable objects to exchange data.

Media and Entertainment

We have experience in delivering specialised, industry-focused solutions in segments, including cable and broadcasting, filmed entertainment, music, print and publishing, information services, and marketing and advertising. Our media and entertainment clients include publishers, digital content producers and broadcasters, such as a U.S.-based global leader in media and entertainment and a U.S.-based global mass media company specialising in cinema and cable television. This business vertical contributed 5.4% of our revenue from continuing operations in Financial Year 2015.

Our experience spans across key business processes, including procure to pay, order to cash, digital media supply chain comprising linear and non-linear content packaging and distribution, linear and digital advertisement sale management, rights and royalty management, consumer analytics, content monetisation and content-led e-commerce. We leverage alliances with industry players on a case-by-case basis to enhance our domain expertise in developing customised solutions. We offer IT solutions in industry-specific areas, including OTT broadcasting, digital transformation audit, digital advertising insight, digital vault and STORRM, event and talent management, and social analytics platforms.

Others

Our other business verticals contributed 9.4% of our revenue from continuing operations in Financial Year 2015, and primarily comprise:

Plant Equipment

We offer comprehensive IT solutions and services to address the specific needs of our clients in the plant equipment industry in relation to discrete manufacturing.

Our customised industry-specific solutions encompass areas such as supply chain management, warranty management, shop-floor-to-top-floor integration and productivity improvement, serialisation and traceability, and production analytics. We have developed various industry-specific capabilities within this business vertical, including construction and mining machinery, electronic and electrical equipment, and industrial machinery and components. Our plant equipment clients include plant equipment and industrial machinery companies, such as a U.S.-based supplier of industrial and environmental machinery and a U.S.-based multinational conglomerate serving customers in the commercial aerospace, defense and building industries.

Utilities, Engineering and Construction

We offer software solutions and consultancy services across various phases of the engineering, construction and procurement value chain, from proposal to award; project planning and design to take-off; procure to pay; execution to delivery; and project financials.

We have also developed industry-specific capabilities in various industries within the utility practice, including power plant generation, transmission and distribution, and retail. Our utilities, engineering and construction clients include energy retailers and utility companies, including our Promoter and a U.S.-based midstream company.

Travel and Logistics

We offer IT solutions and services to clients in the travel and logistics industries by leveraging our domain expertise across the aviation, shipping, surface transportation and logistics segments. Our travel and logistics client profile comprises logistics and transport service providers and airport operators.

Our Service Lines

We have expertise in service offerings that address a diverse range of our clients' IT requirements. The following table presents our IT service lines and their percentage contribution to our revenue from continuing operations for the periods indicated:

Service Lines	Percentage of our revenue from continuing operations		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
Application Development, Maintenance and Outsourcing	43.4%	43.0%	43.3%
Enterprise solutions	24.8%	27.5%	26.8%
Infrastructure Management Services	8.7%	8.0%	7.4%
Testing	9.5%	8.5%	7.5%
Digital Solutions*	9.5%	7.5%	7.9%
Platform-Based Solutions	4.1%	5.5%	7.1%
Total	100%	100%	100%

* Digital Solutions includes AIM, Enterprise Integration and Mobility

Application Development, Maintenance and Outsourcing

We provide application development and maintenance services over the entire IT life cycle for various business verticals. This service line contributed 43.4% of our revenue from continuing operations in Financial Year 2015 and includes the following services:

Application Development: We design and develop new applications and systems, and enhance existing applications and systems to meet the specific requirements of our clients. Our application development services span across the entire software development life cycle in our identified business verticals. Our application development services are offered based on both fixed-price and time-and-materials pricing models.

Application Maintenance and Support: We provide a wide range of application maintenance and support services, including 24x7 production support, application enhancement, upgrading of application platforms and database migration. Our IT services are designed to ensure the availability of systems for maximum usage, reduce maintenance and support requirements, improve scalability and increase throughput by improving productivity over time.

Application Outsourcing: We provide application outsourcing services to our clients, including a four-phase outsourcing approach (i.e., assessment, transition, steady state and transformation (continuous improvement)). We use our proprietary frameworks and four-tier governance model to ensure that engagements follow stakeholders' expectations, through a resource management model, which caters to planned ramp-ups for ongoing client requirements and fast-track ramp-ups for peak resource requirements on short notice. Overall, our global delivery model can be tailored to meet our clients' dynamic needs. For further details, see "Our Business – Global Delivery Model" from pages 133 to 134.

We leverage our solution frameworks developed in-house, which are specifically designed to facilitate governance and operations management in providing application development and maintenance services. The framework helps to manage transition and steady state operations of an offshore centric application development and support services engagement. Some of the tools in the framework include: transition workbench; project management system; request management system; problem tracking system; defect tracking system; time booking system; service level management; and a management utility for strategic information and control.

Enterprise solutions

Our enterprise solutions' service line provides solutions to clients using SAP, Oracle and Microsoft platforms across our business verticals, such as energy and process, high-tech and consumer electronics, automotive and aerospace, plant equipment and industrial machinery. This service line contributed 24.8% of our revenue from

continuing operations in Financial Year 2015.

SAP

We offer a comprehensive suite of services covering the entire SAP life cycle. Our IT service offerings include implementation, global roll-outs, application maintenance and support, technical and functional upgrades, database migration and solution consulting services. We also assist our clients realise business transformations. By virtue of our domain experience, we build customised solutions on the SAP platform for our clients globally, such as for fuel management systems for power generation companies and sales and profitability cockpits for consumer packaged goods, retail and pharmaceutical clients.

We partner with SAP across various geographies. Our consulting services guide clients throughout the enterprise solution life cycle.

Oracle

As an Oracle worldwide platinum partner, we have access to the latest Oracle solutions, preferential treatment with respect to technical support, as well as can on-license Oracle solutions to our clients. We combine technical and industry-specific capabilities, including proprietary tools, accelerators and proven methodologies, to deliver business solutions to enable our clients to realise economic returns on their Oracle investments.

We offer IT service capabilities covering: consulting, global template design; implementation; rollouts; change management; instance consolidation; upgrades/migrations; integration; testing; training; maintenance; and support. We focus on innovation and excellence by investing and operating a dedicated CoE across various Oracle products to develop innovative solutions in emerging technologies, including in the digital space.

Microsoft

We are a Microsoft partner offering services in Microsoft dynamics products: Microsoft Dynamics CRM and enterprise solutions.

Infrastructure Management Services

Our IMS line assists our clients design, build and operate their critical ICT infrastructure. This service line contributed 8.7% of our revenue from continuing operations in Financial Year 2015.

Our Business 1st methodology that we use for our IMS service line enables us to customise our support services in accordance with the complex business needs of our clients. Our processes are certified for ISO/IEC 20000-1:2011 and assessed at CMMI-SVC v1.3 (Maturity Level 5). Our partnerships with hosting and Cloud providers and with end-user computing providers enables us to support the entire ICT infrastructure landscape of our clients.

We have invested in building our capabilities in the areas of Cloud, data centres, application operations, networking, end-user services and IT security. We have built our training infrastructure and training programmes, encapsulated in our SCALE (Simulated Center for Accelerated Learning and Excellence) laboratory.

We have provided our employees with the requisite technical proficiencies required to service our clients. We also have a shared service delivery platform that showcases our capabilities in IMS tooling.

Testing

Our comprehensive end-to-end testing service portfolio is divided into three areas: core testing, test advisory services and specialised testing services. Along with such portfolio, we have technology as well as domain centric frameworks and accelerators developed in-house, which are in addition to off-the-shelf products, to deliver efficiencies and effectiveness to our clients in terms of “speed to market” and enhanced product quality. This service line contributed 9.5% of our revenue from continuing operations in Financial Year 2015.

Core testing services are most widely performed for our clients in relation to quality assurance. Our range of core testing services includes: functional testing; system testing; acceptance testing support; integration testing

and regression testing. We also offer performance engineering services as part of a premium package to address the key performance parameters of our clients, such as speed, scalability, availability and capacity. Our suite of performance engineering solutions comprises of managing performance test life cycle activities, defining standards and processes, and consulting.

Our test advisory service includes a testing function assessment based on best industry practices using our current state assessment framework. Such services assist our clients to establish testing COEs and to develop favourable economics for testing as a function.

Specialised testing services cover areas such as test automation, performance, security, data centric testing, mobility testing and product validation.

Digital Solutions

We define our digital business as solutions and services offered to clients through the fusion of “new age” technologies for disruptive business transformations. Such transformations are enabled by creating innovative business models leading to enhancing client experiences and greater operational efficiencies. Some of the technologies that we consider as “new age” include: SMAC, Big Data, IoT, Enterprise Integration, Business Process Digitisation, User Experience and Cognitive Computing. Our digital solutions service line contributed 9.5% of our revenue from continuing operations in Financial Year 2015 and includes the following services:

Analytics and Information Management

Our AIM service sub-line offers DW, AIM services to clients across various business verticals. Our AIM service portfolio includes end-to-end BI/DW implementation and support, application re-architecting and technology upgrades, data management and quality services, and data visualisation. We provide strategy and consulting services covering industry-specific BI/DW strategy and roadmaps, architecture definitions, establishment of information management competency centers, master data management strategy and architecture services. Our BI solutions are typically customised or pre-built on enterprise information platforms for web reporting and analysis, which enables users to perform *ad hoc* analysis and generate reports through the use of dashboards.

Enterprise Integration

Our enterprise process integration service sub-line offers consulting, implementation, support and maintenance services covering all enterprise integration requirements, including BPM, business process automation (including robotic process automation), enterprise application integration, application programming interface management, business-to-business integration and enterprise content management. We provide a range of enterprise integration services based on industry-specific experience across various technologies. We also offer certain industry-specific solutions, across various business verticals.

Mobility

Our mobility service line delivers end-to-end solutions and services on diverse technologies and platforms. We have developed solutions using “new age” technologies, in addition to developing various frameworks and accelerators for rapid application development.

Our in-house developed platform facilitates omni channel application development enabling integration with heterogeneous backend systems. We have developed a suite of applications targeted for different business verticals, including banking and financial services, insurance, energy and process, consumer product goods, retail and pharmaceuticals. These applications cover a wide spectrum of devices and technologies, such as iOS, Android, Windows and Blackberry.

The front-end engineering services that we offer have helped clients re-architect their existing desktop applications into responsive applications with enhanced user experiences. We utilise our global delivery model in developing applications for clients (see “Our Business – Global Delivery Model” from pages 133 to 134) in order to deliver value to our clients in terms of reduced cost and higher efficiency.

Platform-Based Solutions

Our BI solutions provide enterprise information platform-based solutions for web reporting and analysis, enabling our clients to streamline reporting requirements. This service line contributed 4.1% of our revenue from continuing operations in Financial Year 2015. We also provide a number of solutions designed specifically for the investment fund and asset management industries based on the Unitrax® platform, with several modules that further expand its functionality. In addition, our product line includes Investortrax and Advisortrax, which provide investors and advisors with convenient, web-based, secure and encrypted access to real-time account information.

Notable Developments

As part of a business restructuring exercise conducted by the L&T group, all engineering services businesses of the L&T group have been consolidated under a separate subsidiary of the L&T group, LTTSL. As part of this restructuring, on January 1, 2014 we sold and transferred the assets and liabilities of our PES Business to LTTSL by way of slump sale. Our PES Business was responsible for the operations of our telecom cluster, providing IT services and solutions to our clients in the telecommunications sector. The IP business of our PES Business was conducted by our wholly-owned subsidiary, GDA USA, and the German operations of our PES Business was conducted by our wholly-owned subsidiary, L&T Infotech GmbH.

The sale and transfer of all of the assets and liabilities of our PES Business housed in GDA USA became effective on January 1, 2014 for a total purchase consideration of ₹ 4,895.27 million. GDA USA was wound-up on March 28, 2014. As part of the restructuring, we acquired the Indian incorporated subsidiary of GDA USA, GDA Technologies Limited, for a purchase consideration of ₹ 322.76 million (which was based on a fair valuation carried out by external chartered accountants).

In accordance with the requirements of German law applicable to the sale and transfer of our PES Business to LTTSL, together with the sale and transfer of all of the assets and liabilities of our PES Business housed in L&T Infotech GmbH, became effective on September 1, 2014, for a total purchase consideration of ₹ 129.20 million (which was based on a fair valuation carried out by an external valuer in Germany). The purchase consideration was determined based on the discounted cash flow method of business valuation. See (Annexure IV (C) (6) to our restated consolidated financial statements for Financial Year 2015 in “Financial Statements” from pages 263 to 264 for a description of the assets and liabilities of our PES Business sold and transferred to LTTSL.

As a result of the transactions described above, we have recognised profits on the sale and transfer of our Product and Engineering Services Business in Financial Years 2015 and 2014 as extraordinary items, which will not recur in Financial Year 2016 or in other future financial periods. In addition, we have also recognised revenues from the discontinued operations of our Product and Engineering Services Business for Financial Years 2015 and 2014, which we will not recognise in Financial Year 2016 or in other future financial periods. Accordingly, the results of operations presented in this Draft Red Herring Prospectus may not be comparable. For further details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Note Regarding Non-Comparability of Results of Operations” on page 297.

Global Delivery Model

We have an integrated global delivery model that allows us to deliver on-site and offshore-based IT services to our clients. Our on-site delivery is performed through a combination of employees based at client premises and our Delivery Centres.

	Percentage of export revenues		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
Onsite	51.8%	53.9%	53.3%
Offshore	48.2%	46.1%	46.7%

Our Delivery Centres are premises from which we provide services to our clients around the world.

As of June 30, 2015, we had ten Delivery Centres (all of which act as sales offices) in India as further described in the table below:

Location	Number of Delivery Centres
Pune	3

Bengaluru.....	2
Chennai	2
Navi Mumbai	2
Mumbai.....	1

As of June 30, 2015, we had 12 Delivery Centres outside of India (some of which also act as sales offices) as further described in the table below:

Country	Number of Delivery Centres	City
United States	6	Bakersfield (California); Edison (New Jersey); Hartford (Connecticut); Houston (Texas); Jupiter (Florida); Tampa (Florida)
Canada	1	Mississauga (Ontario)
Costa Rica	1	San Jose
Philippines.....	1	Manila
Singapore	1	Singapore
South Africa	1	Johannesburg
United Kingdom.....	1	Belfast

We view our global delivery model as a competitive strength that enables us to derive maximum benefit from:

- ready access to a large pool of highly skilled IT professionals;
- access to specialists who are part of our different business verticals and service lines;
- the ability to optimally manage our bench strength;
- a 24-hour execution capability across multiple time zones;
- the ability to accelerate the delivery times of large projects by simultaneously processing project components;
- readily available, highly secure and modern infrastructure;
- physical and operational separation of client projects to provide enhanced security;
- systems and processes that are designed to provide high quality and cost-effective services across geographic regions;
- built-in redundancies to ensure uninterrupted services; and
- a knowledge management system that enables us to reuse solutions where appropriate.

We manage and staff our projects with the objective of efficiently meeting project objectives. Our project management skills have been strengthened through our client engagements, especially our extensive work on large, end-to-end and multi-location projects. We have digitised comprehensive software-based process for managing the global delivery of projects, which enables the effective allocation of resources, tracks profitability and timing in relation to specified deliverables, as well as key milestones, in each case, for those projects. If our projects require specific skills that are not available within our organisation at a particular point in time, we insource personnel from our Promoter in India as well as internationally.

Our quality control processes and programmes are designed to minimise defects and ensure adherence to pre-determined project parameters. Additionally, software quality advisers help individual teams establish appropriate processes for projects and adhere to multi-level testing plans. Each project manager is responsible for tracking metrics, including the actual effort spent versus initial estimates, project budgeting and estimating the remainder of efforts required on a project.

Our global delivery model mitigates client risks associated with offshore IT services. For our communication needs, we use multiple service providers and leased lines with alternate routing. Internationally, we rely on multiple leased lines to connect our Delivery Centres with network hubs in the rest of the world. We also provide business continuity and disaster recovery plans to our clients, which are enhanced by the geographic spread of our Delivery Centres located outside India. Furthermore, we use redundant systems for our critical technical and communication infrastructure that enable us to plan for rapid recovery from unplanned outages, and have a disaster recovery center located in Chennai, India.

As part of our global delivery model, we provide productivity gains, faster service delivery, reusability and high quality work to our clients.

Geographies

We are a global company operating out of North America, Europe, Asia Pacific, India, the Middle East and South Africa. In each of our geographic segments, we have sales managers, sales hunters, account managers, overlay sales managers, solution architects, sales, pre-sales, delivery and consulting professionals who service our clients. We believe that this structure enables us to develop a better understanding of local requirements and service our clients more effectively.

The following table presents the percentage contribution of our geographic segments to our revenue from continuing operations for the periods indicated:

Geographic segments	Percentage of revenue from continuing operations		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
North America.....	68.6%	67.3%	69.9%
Europe.....	17.9%	20.1%	18.2%
Asia Pacific.....	2.4%	2.6%	2.3%
India.....	4.2%	3.4%	3.7%
Rest of World*.....	6.9%	6.6%	5.9%
Total.....	100.0%	100.0%	100.0%

* Middle East, Australia and South Africa

North America

In Financial Year 2015, the North America segment contributed 68.6% of our revenue from continuing operations. The United States is our largest market in North America and contributed 65.3% of our revenue from continuing operations in Financial Year 2015. The IT services market in the United States is highly competitive and mature.

As of June 30, 2015, we had 13 sales offices in North America:

U.S. State/Canadian Province	Number of sales offices	City
California.....	2	Irvine; San Jose
Texas.....	2	Houston; Plano
Connecticut.....	1	Hartford
Florida.....	1	Tampa
Georgia.....	1	Alpharetta
Illinois.....	1	Schaumburg
Massachusetts.....	1	Waltham
Michigan.....	1	Southfield
New Jersey.....	1	Edison
Ohio.....	1	Cincinnati
Ontario (Canada).....	1	Mississauga

As of June 30, 2015, we had eight (six in the U.S., one in Costa Rica, and one in Canada) Delivery Centres in North America as further described in “Our Business – Global Delivery Model” from pages 133 to 134 to assist our North American clients.

Europe

In Financial Year 2015, the Europe segment contributed 17.9% of our revenue from continuing operations. Our European operations are geographically segmented into four sub-regions: (1) the United Kingdom, (2) France and the Benelux region (Belgium, the Netherlands and Luxembourg), (3) the Nordic region (Denmark, Sweden, Norway and Finland) and (4) the DACH region (Germany, Austria and Switzerland). The Nordic region is our largest market in Europe and contributed 12.0% of our revenue from continuing operations in Financial Year 2015. We are strengthening our local language expertise in order to target certain markets more effectively, particularly France and Germany.

As of June 30, 2015, we had ten sales offices in Europe, as further described in the table below:

Country	Number of sales offices	City
Germany.....	2	Frankfurt; Leipzig
Belgium.....	1	Brussels
Denmark.....	1	Copenhagen
Finland.....	1	Espoo
France.....	1	Paris
The Netherlands.....	1	Amsterdam
Norway.....	1	Oslo
Sweden.....	1	Stockholm
United Kingdom.....	1	London

As of June 30, 2015, we had one Delivery Centre in Europe as further described in “Our Business – Global Delivery Model” from pages 133 to 134 to service our European clients.

Asia Pacific

In Financial Year 2015, the Asia Pacific segment contributed 2.4% of our revenue from continuing operations. We are expanding our Asia Pacific operations to address the growth opportunities that we see in this region.

As of June 30, 2015, we had two sales offices in the Asia Pacific region, as further described in the table below:

Country	Number of sales offices	City
Japan.....	1	Yokohama
Singapore.....	1	Singapore

As of June 30, 2015, we had two Delivery Centres in the Asia Pacific as further described in “Our Business – Global Delivery Model” from pages 133 to 134 to assist our Asian clients.

India

In Financial Year 2015, India contributed 4.2% of our revenue from continuing operations. We are currently focusing our India operations on certain industries that we view as important for the long-term, which include power, defense, railways, transportation, banking and financial services, insurance, and media and entertainment. We are also participating in the Government’s “smart cities” initiative, which seeks to address the substantial urbanisation currently taking place in India. In pursuing this initiative, we are utilising the L&T group’s exposure in this space.

As of June 30, 2015, we had ten Delivery Centres (all of which act as sales offices) in India as further described in “Our Business – Global Delivery Model” from pages 133 to 134.

Rest of World

In Financial Year 2015, other geographies contributed 6.9% of our revenue from continuing operations.

Middle East: We are expanding our Middle East operations to address the growth opportunities that we see in this region. We aim to leverage our Promoter’s experience and strong presence in Middle East and grow our operations there. As of June 30, 2015, we had four sales offices in the Middle East region, as further described in the table below:

Country	Number of sales offices	City
United Arab Emirates.....	2	Abu Dhabi; Dubai
Kuwait.....	1	Kuwait City
Saudi Arabia.....	1	Dammam

South Africa: In Financial Year 2015, South Africa contributed 4.6% of our revenue from continuing operations. In Financial Year 2013, we expanded our presence in South Africa to market and leverage our existing business. We partnered with a local South African entity to form a joint venture in the name of Larsen And Toubro

Infotech South Africa (Proprietary) Limited. We are expanding our South African operations to address the growth opportunities that we see in this region and view our operations in South Africa as a gateway to commencing operations in other countries in Africa.

As of June 30, 2015, we had one delivery centre in South Africa as further described in “Our Business – Global Delivery Model” from pages 133 to 134 to assist our South African clients.

Australia: We are expanding our Australia operations to address the growth opportunities that we see in this region. As of June 30, 2015, we had three sales offices in the Australia region, as further described in the table below:

Country	Number of sales offices	City
Australia.....	3	Melbourne; Perth; Sydney

Our Clients

Client Relationships

We believe that the quality and breadth of our client relationships is critical to our business. During Financial Year 2015, we had 232 active clients, including 41 Fortune Global 500 companies.

The table below demonstrates the profiles of our clients in terms of contribution to our revenue from continuing operations for the indicated periods:

Revenues	Number of clients in the 12 months ended		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
>USD 1 million.....	82	84	74
> USD 5 million.....	33	33	27
> USD 10 million.....	20	19	14
> USD 20 million.....	8	7	6
> USD 50 million.....	3	3	3

The table below demonstrates the concentration of our revenue from continuing operations among our top clients:

Revenue Concentration	Percentage of revenue from continuing operations in the 12 months ended		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
Top Client.....	14.1%	13.1%	16.3%
Top 5 Clients.....	37.2%	36.3%	38.6%
Top 10 Clients.....	50.5%	47.5%	48.5%
Top 20 Clients.....	66.6%	65.3%	64.5%

The table below demonstrates the number of active and new clients and the percentage of our revenue from continuing operations that was contributed by repeat business and new clients:

	Number of clients and percentage of revenue from continuing operations		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
Active Clients ⁽¹⁾	232	204	198
New Clients ⁽²⁾	57	54	58
Revenues from new clients.....	1.9%	3.1%	2.5%
Revenues from repeat business ⁽³⁾	98.1%	96.9%	97.5%

(1) Clients who contributed to our revenues in the indicated period and/or the preceding financial year.

(2) Clients who contributed to our revenues during the indicated period but not in the preceding financial year.

(3) Revenues excluding revenues from new clients.

We have established long-standing relationships with many of our clients. We believe that our ability to establish and strengthen client relationships will be an important factor in our future growth.

Key Client Relationships

Citibank and Chevron have been two of our largest clients for over ten years and we consider these relationships as very important to our business.

Our relationship with Citibank

We have had an ongoing relationship with Citibank since 2001. This client was our largest in Financial Year 2015 and contributed 14.1% of our revenue from continuing operations in such period.

Our relationship with Chevron

We have had an ongoing relationship with Chevron since 2004. This client was one of our largest in Financial Year 2015 and contributed 7.0% of our revenue from continuing operations in such period.

In addition to our relationships with Citibank and Chevron, we also have a number of other important clients to our business, including large American insurance companies specialising in property, casualty and personal insurance and a USA-based multinational medical devices, pharmaceutical and consumer packaged goods manufacturer, and a USA-based multinational conglomerate serving customers in commercial aerospace, defense and building industries.

Competition

The IT services market that we operate in is highly competitive and rapidly changing. Our competitors include:

- Indian IT services companies, such as Tata Consultancy Services Limited, Infosys Limited, Wipro Limited, HCL Technologies Limited and Tech Mahindra Limited;
- International IT services companies, such as Accenture Limited (“Accenture”), Cognizant Technology Solutions, Computer Sciences Corporation and divisions of large multinational technology firms such as IBM Corporation (“IBM”), Hewlett-Packard Company and CapGemini S.A. (“CG”); and
- Other international, national, regional and local firms from a variety of market segments, including major international accounting firms, systems consulting and implementation firms, applications software firms, service groups of computer equipment companies, general management consulting firms, technology firms, programming companies, and in-house IT departments of large corporations.

Some of our international competitors, such as Accenture, IBM and CG, have expanded their operations in India, which has resulted in increased competition for our IT services. While we expect these competitive pressures to continue, we believe our domain and technology capabilities, and our client base and success in attracting and retaining highly skilled employees will enable us to compete effectively in our industry.

The IT services industry is also witnessing competition from countries and regions such as China, the Philippines, Eastern Europe and Latin America, which have labour costs similar to India. Clients that presently outsource a significant proportion of their IT service requirements to vendors in India may seek to reduce their dependence on one country and outsource work to other offshore destinations.

Our Pricing Model and Contractual Terms

Pricing

We price our IT services on multiple models: a time-and-materials or a fixed-price. For fixed-price projects, we typically take responsibility for end-to-end project execution. We use extensive modeling based on the processes and employees that we plan to use and our past project experience, to estimate the effort and risks involved with individual client engagements.

The table below demonstrates the contribution of these pricing models to our services' revenue from continuing operations for the periods indicated:

Pricing Model	Percentage of services' revenue from continuing operations		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
Time-and-materials	59.7%	63.0%	62.3%
Fixed-Price ⁽¹⁾	40.3%	37.0%	37.7%
Total	100.0%	100.0%	100.0%

(1) Revenue is recognised either on the percentage of completion method or as the services are rendered and costs are incurred based on the underlying economic substance of the contract. The duration of our fixed-price contracts is typically less than five years.

Contractual Terms

We typically enter into MSAs with our clients. These agreements tend to either have a specified term or continue indefinitely until terminated, while containing general rights and obligations governing our relationship with the applicable client. The MSAs generally incorporate a broad scope of work and do not include any minimum purchase commitment on the part of the client.

For each project, we usually enter into separate work orders with the client, which specify the types of services we are required to provide to the client and the pricing terms of the engagement. Although some of our MSAs contain billing rates for time-and-materials work orders, for most of our IT services the separately agreed work order contains the pricing terms.

Our MSAs typically contain the following terms:

- description of services and deliverables to be provided;
- termination rights in favour of the client, in some instances with cause, and in other instances without cause, and in some instances with, and in other instances without, notice;
- roles and responsibilities of the parties;
- pricing terms;
- representations and warranties covering, among other things, the services we perform;
- confidentiality provisions;
- provisions protecting the IP of our clients, our pre-existing IP and any IP rights developed under the MSA;
- certain security obligations, including maintaining network security and back-up and user data, ensuring that our and our clients' networks are virus free and verifying the integrity of employees who work with our clients by conducting background verifications;
- obligations to obtain approvals, compliance with laws and insurance policies;
- indemnification provisions;
- limitation of liabilities; and
- reciprocal non-solicitation of employees subject to local law requirements.

The MSAs typically do not stipulate that we are the preferred supplier for our clients and do not provide entitlements to any minimum amount of work or revenues from them.

Sales and Marketing

Our sales and marketing strategy seeks to gain new business from identified accounts through multiple business development channels and repeat business from existing clients through concerted account management efforts at building and sustaining client loyalty. As of March 31, 2015, we had a total of 222 employees in sales and marketing.

New Business Development. We use a cross-functional, integrated sales approach where our sales managers (who address a particular region, country and/or business vertical, and typically report to the heads of the respective geographic segments or business verticals, as the case may be), account/engagement managers (who are dedicated to our strategic clients), sales hunters (who are dedicated to originate new clients), overlay sales managers (who are responsible for promoting service lines), solution architects (who are responsible for devising solutions to clients), the supervisors thereof and our marketing team, which assists in brand building and other corporate level marketing efforts, analyze potential opportunities and collaboratively develop strategies to sell our IT services and solutions to potential clients. Our sales professionals located throughout the world proactively contact potential clients through different channels. We also work closely with industry analysts and advisors to identify opportunities worth pursuing. For larger projects, we typically bid against other IT service providers in response to requests for proposals.

Promoting Client Loyalty. We constantly seek to expand the nature and scope of our engagements with existing clients by increasing the volume of our business and extending the breadth of services offered. For existing clients, our on-site project and account managers proactively identify client needs and work with our sales team to structure solutions to address those needs.

We have adopted a collaborative sales and marketing model where our sales, solutions and delivery teams participate in the sales process. Members of our executive management team are actively involved in business development and in managing key client relationships through targeted interaction with clients' senior management, which enables us to demonstrate our organisational commitment and remain acquainted with emerging industry trends. Our sales organisation includes dedicated sales managers, account/engagement managers, sales hunters, overlay sales managers and solution architects, and, in each case, the supervisors thereof. Our sales efforts are complemented by our marketing team. We build and execute marketing programmes that include media interactions, industry and analyst events, sponsorship of and participation in targeted industry conferences and trade shows.

In addition to our own global sales capabilities, we also work with various technology/product players like SAP, Oracle, Microsoft and other niche players. We jointly evolve "go to market" strategies with identified roles and responsibilities in specific markets to develop new business.

Quality Processes

We attribute a high emphasis to quality. Quality has become a core value of our business, which helps us qualify through the strict scrutiny of international clients and prospects. Some of the certifications received over the years are stated below:

Certifications awarded by Bureau Veritas:

- ISO 9001:2008: This certification focuses on quality management systems, client focus, requirements management and process improvements.
- ISO/ IEC 27001:2013: This certification is for information security management systems and encompasses all of our information processing assets and information in addition to those of our clients with respect to software design, development and implementation, maintenance, production support, testing, consultancy, system integration and IT infrastructure services.
- ISO/ IEC 20000-1:2011: This certification is for IT service management system internal infrastructure support, remote infrastructure management services to external clients, application support services for clients and IT infrastructure services to business units of our Company.
- ISO 14001:2004: This certification is for environmental management systems. These aim to reduce the environmental footprint of a business and to decrease the pollution and waste produced.

Certifications awarded by QAI:

- CMMI-SVC v1.3 (Maturity Level 5): This certification is for projects providing application maintenance services and projects providing application support and IMS support.
- CMMI for SVC+SSD v1.3 (Maturity Level 3): This certification is for application maintenance projects, support projects (including IMS) and associated support functions (PET and Metrics, Strategy).
- CMMI for Development v1.3 (Maturity Level 5): This certification is for development, testing, ERP and large maintenance projects.

Research and Development

Our R&D initiatives are run by our technology cell and client-specific R&D functions are run by the respective business verticals and service lines. Our areas of research are focused on automation tools for application development, testing, migration and re-engineering, as well as to build an array of industry-specific accelerators, frameworks, platforms and solutions. We have an enterprise business solution laboratory which tests innovative business ideas and adds value to clients. It also introduces prototype solutions to reduce implementation time and costs associated with our IT services.

Intellectual Property

In the course of our R&D and consulting activities, we create a range of IP, which we brand and protect through trademarks, copyrights and patent laws, and through trade secrets, confidentiality procedures and contractual provisions. We typically require independent contractors and, whenever possible, sub-contractors, to enter into confidentiality agreements upon the commencement of their relationships with us. These agreements typically provide that any confidential or proprietary information developed by us or on our behalf be kept confidential. These agreements also provide that any confidential or proprietary information disclosed to third parties in the course of our business be kept confidential by such third parties.

We regard our trade name, trademarks, service marks and domain names as important to our success. We rely on the law to protect our proprietary rights to them, and we have taken steps to enhance our rights by filing trademark applications where appropriate.

The “L&T” trademark is registered in favour of our Promoter. Pursuant to the Trademark License Agreement, we have been granted a global non-exclusive, non-transferrable license to use the “L&T” trademark in return for certain consideration. For further details on our use of the “L&T” trademark, see “Risk Factors - We do not own the “L&T” trademark and logo. The Trademark License Agreement may be terminated under certain circumstances. In addition, we may be unable to adequately protect our intellectual property since a number of our trademarks, logos and other intellectual property rights may not be registered and therefore do not enjoy any statutory protection. Further, we may be subject to claims alleging breach of third party intellectual property rights” from pages 37 to 38.

Acquisitions and Strategic Investments

We are open to effecting acquisitions that will further develop a business vertical, a geography or platform with a view to enhancing revenues and leveraging existing brands and clients who believe in us. In recent years, we have made the following acquisitions and strategic investments that have been strategically important to us.

Information Systems Resource Centre

In October 2014, our Company acquired ISRC from Otis Elevator Company USA and Otis Elevator Company (India) Limited, units of United Technologies Corporation. ISRC was a provider of software development work for OTIS group companies.

This acquisition has helped us leverage the technology capability and experience of ISRC in order to enhance its value-added service portfolio.

In Financial Year 2015, ISRC had total income of approximately ₹ 565 million and net income of

approximately ₹ 130 million. It had 287 employees as of March 31, 2015.

L&T Infotech Financial Services Technologies Inc.

In 2011, we acquired a 100% shareholding in a company from Citigroup Fund Services Canada. This company is now known as LTIFST.

LTIFST's service offerings include a range of industry-specific proprietary software products and solutions to its clients. Its BI solutions provide an enterprise information platform for web reporting and analysis, enabling its clients to streamline their reporting requirements.

In Financial Year 2015, LTIFST had total income of approximately ₹ 2,048 million and net loss of approximately ₹ 177 million. It had 142 employees as of March 31, 2015.

For further details on our acquisitions and strategic investments, see "Financial Statements" beginning on page 194.

Human Resources

Our success depends to a great extent on our ability to recruit, train and retain high quality IT professionals. Accordingly, we place special emphasis on the human resources function in our organisation. We focus on hiring, engaging and retaining key talent. We seek to align talent engagement, competency development, role and career progression, benchmarked compensation and benefits for our employees worldwide. This has helped us attract and retain high quality talent internationally as well as build a pipeline of leaders to meet our future requirements.

We believe that our strong brand name, industry leadership position, growth opportunities, focus on professional development and performance-linked compensation give us significant advantages in attracting and retaining highly skilled employees.

We strive to instill our values of integrity, excellence, respect for the individual, continuous learning and sharing and leading change in our employees through our organisational culture and training initiatives. Our people development processes encompass technical, behavioral and leadership development programmes designed for various levels, which seek to continuously upgrade the competencies of and prepare our employees for greater responsibilities and enhanced performances.

Employee Profiles

We encourage our employees to develop software engineering and technology skills through formal or informal means, which provides them scope for taking on additional responsibilities and enhancing their career prospects. In the process of doing so, this also allows us to offer differentiated expertise to our clients.

We are an equal opportunity employer with a diverse employee base. Additionally, we have recruited local nationals at certain of our Delivery Centres, such as South Africa, to enhance our understanding of the local markets as well as to enhance our ability to interact with and deliver solutions to our clients in local languages.

Utilisation

The following table illustrates the combined average utilisation of our employees across our onsite and offshore locations over the past three Financial Years:

Employee Utilisation (Average)	Financial Year 2015	Financial Year 2014	Financial Year 2013
Including Trainees.....	73.4%	71.6%	71.3%
Excluding Trainees.....	75.8%	73.6%	71.9%

Recruiting

We build our global talent pool by recruiting recent graduates as well as experienced lateral hires from the

market. In the case of our graduate recruits, we typically recruit from academic institutions with a reputation for excellence. In respect of our lateral hires, we source candidates through multiple channels and our HR networks. We rely on a rigorous selection process involving a series of aptitude tests and interviews to identify the best applicants. This selection process is continually assessed and refined based on performance tracking of past recruits. Our reputation as a preferred employer enables us to select from a large pool of qualified applicants.

We plan our recruitment needs through our annual human resources business plan, which is based on expected growth in business from existing clients and prospects, expected changes in the business mix especially relating to changes in the proportion of offshore delivery, and the requirements of our large clients. This exercise helps us formalise our recruitment requirements for experienced professionals as well as trainees.

In order to maintain our brand image and attract the best students from campus, we maintain relationships with these institutions through campus interactions, joint participation with the institutes in areas of R&D, establishment of excellence centers and sponsoring academic and cultural events.

Training

We place special emphasis on the training of our employees to enable them to develop their skills and to meet our changing requirements. We focus on an initial learning programmes for our trainees as well as continuous learning programmes for all our employees.

For the purpose of training employees, our Promoter set up an exclusive training facility at Lonavala, Pune, India, called “The Leadership Development Academy”. The academy has lodging, a well-equipped library, modern IT facilities and infrastructure as well as a range of amenities for our employees. In addition to in-house faculty members (whom we call “talent gurus”), we invite visiting faculty that includes senior management, senior employees and recognised academics. In addition to this centralised facility, we conduct technical and soft skills training programmes at our major Delivery Centres.

All employees from technical institutes who have joined us with less than one year of industry experience are required to attend an intensive three-month full-time training programme that is industry-specific and/or service line-specific, which helps us develop professionals knowledgeable on our entire organisation. The training programme in part covers technology training and software engineering training. We also conduct continuous learning programmes that address the project-specific, technology and soft skills learning needs of our employees.

We believe that well-trained project managers are key enablers for the efficient growth of our operations and our ability to manage large, complex projects. We are specifically focused on developing project management competencies among our employees so as to be able to assume higher responsibilities going forward.

We offer our employees a choice of various standardised behavioral training programmes. The selection of a specific programme is made in light of discussions between the employee and their relevant career development manager, during which the employee’s career development plans for the following year are set out. The training programme selected is then intended to cater to the employee’s career development needs. The training is provided on a monthly basis throughout the year, and aims to help build the employee’s individual communication, interpersonal, client relations, conflict resolution, negotiation, work-life balance, inter-cultural and language skills.

In addition, we also offer leadership programme to those employees embarking upon the leadership journey and who are transitioning between various levels of seniority. These programmes are aimed towards developing our employees on leadership qualities in four key areas of competency: business development, client relations, interpersonal skills and self-awareness. As well as developing these four competencies, our leadership programmes also offer training which is specific to the employee’s organisational and business unit.

Our training programmes have received several accolades in recent years. Notably, in 2015, we won five awards from the World HRD Congress in relation to our Indian operations, including training organisation of the year, best leadership development for middle management, best leadership development programme for top management, and most innovative use of training and development as an HR initiative for OD.

Employee Retention and Care

We have several structured processes, including employee mentoring, grievance management and corporate ethics programmes, which are intended to facilitate a friendly and cohesive organisational culture. Such processes are supplemented by our internal policies, which are also aimed at fostering a positive atmosphere and establishing common ethical values within the work place. Such policies include our policy for the protection of women's rights and our whistleblower policy. We conduct an employee satisfaction survey, which provides us with valuable insights on how we can further streamline individual performances. The attrition rate of employees globally for Financial Years 2015, 2014 and 2013 was 19.5%, 13.2% and 12.3%, respectively. In 2014, NASSCOM ranked us among the top 20 IT BPM employers in India.

Performance Management and Compensation

We have an objective-based performance management system which involves goal-setting, periodic reviews and project-end reviews in addition to annual reviews. The review sessions impress upon several aspects of the employees' careers, such as career and competency development, financial rewards and recognition. We endeavor to link careers to competencies, individual preferences and organisational needs. We also allow our employees sufficient flexibility and opportunities to rotate across streams and geographic locations.

Our compensation has a fixed component that is benchmarked to the industry and a variable component that is linked to the company's and individual's performance.

Our Company has granted 3,165,205 options to the eligible employees under the Existing Employee Stock Option Plans. The objective of the ESOP Scheme, 2000 is to reward those employees who contribute significantly to our Company's profitability and shareholder's value as well as encourage improvement in performance and retention of talent. As of date of this Draft Red Herring Prospectus, the total options outstanding under the ESOP Scheme, 2000 are 2,300,845 or 10,781,910 after adjustment for the split of equity shares of our Company from face value of ₹ 5 each to ₹ 1 each.

The main objective of the U.S Sub-Plan, 2006 is to attract and retain the best available personnel, to provide additional incentive to the employees of our Company, its holding company and its subsidiaries to promote the success of our Company's business and to enable the employees to share in the growth and prosperity of our Company by providing them with an opportunity to purchase stock in our Company. As of date, no options have been exercised by the employees and ex-employees of our Company under the ESOP Scheme, 2000 or U.S Sub-Plan, 2006. As of date of this Draft Red Herring Prospectus, the total options outstanding under the U.S Sub-Plan, 2006 are 90,100, or 450,500 after adjustment for the split of equity shares of our Company from face value of ₹ 5 each to ₹ 1 each.

Our Company has also instituted ESOP Scheme, 2015 to reward our employees for their contributions to us. As of the date, no options have been granted under the ESOP Scheme, 2015. The issue of Equity Shares pursuant to the Existing Employee Stock Option Plans and ESOP Scheme, 2015 will be subject to compliance with applicable laws and regulations, including the securities laws of foreign jurisdictions.

For further details, see "Capital Structure" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" from pages 86 to 92 and 299, respectively.

Property

We have leased and/or licensed our offices and Delivery Centres from our Promoter and certain third parties, and own and/or lease certain residential premises for providing accommodations to our employees in various locations in and outside of India. Our Registered Office is located in Mumbai, India. Our corporate office is located in Mumbai, India, which we lease. For further details, see "Our Business – Geographies" on page 134.

Insurance

We have insurance policies to cover our assets against losses from fire and other risks to our properties. We also maintain insurance policies against third party liabilities, including a commercial general liability policy and a cyber-risk protector policy and a professional liability-technology policy, each with worldwide coverage, in addition to group insurance and medical insurance policies for the benefit of our employees, employer's practice liability insurance, and such other insurance policies as required by applicable law and/or contract. In addition,

we may obtain project-specific insurance coverage for higher risk projects. We are also covered for directors' and officers' liability insurance procured by our Promoter.

Legal Proceedings

We are involved in certain legal proceedings, which are described in "Outstanding Litigation and Other Material Developments" on page 320.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific key laws and regulations in India, which are applicable to our Company and our Subsidiaries. The information detailed in this section has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The section also lists out certain other laws in India which are not specific to our Company or to our Subsidiaries.

Software Technology Parks Scheme

The STPI Scheme was introduced by the Government with the objective of encouraging, promoting and boosting the software exports from India. The STPI Scheme, which is a 100% export oriented scheme, provides benefits such as data communication facilities, operational space, common amenities, single window clearances and approvals including project approvals, import certification and other facilities to boost software exports from India.

In order to avail the benefits as envisaged by the Government, a company is required to register itself with the appropriate authorities. The principal compliance required of a company accorded approval under the STPI Scheme is the fulfilment of the export obligation. The letters of permission may contain other conditions. Additionally, the unit is required to file monthly, quarterly and annual returns to STPI in the nature of a performance report indicating the export performance.

The Special Economic Zones Act, 2005 and Special Economic Zone Rules, 2006

SEZs are established, regulated and governed by the Special Economic Zones Act, 2005, as amended (the “SEZ Act”). The SEZ Act was enacted for the establishment, development and management of SEZs for the promotion of exports. An SEZ is a specifically delineated duty free enclave, deemed to be a foreign territory for the purposes of trade operations as well as duties and tariffs. A board of approval (“SEZ Board”) has been set up under the SEZ Act, which is responsible for promoting SEZs and ensuring their orderly development. The SEZ Board has a number of powers including the authority to approve (i) proposals for the establishment of SEZs, (ii) the operations to be carried out in the SEZ by the developer and (iii) foreign collaborations and foreign direct investments in the SEZ for its development, operations and maintenance.

The Special Economic Zone Rules, 2006 (the “SEZ Rules”) have been enacted to effectively implement the provisions of the SEZ Act. The SEZ Rules provide a simplified procedure for a single window clearance from central and state governments for setting up SEZs and “units” in SEZs. The SEZ Rules also prescribe the procedure for the operation and maintenance of an SEZ, the setting up of an SEZ and conducting business within SEZs, including by way of “self-certification”. The SEZ Rules also provide for the terms and conditions subject to which entrepreneurs and developers shall be entitled to exemptions, drawbacks, concessions and certain other benefits. The SEZ Rules stipulate the minimum area requirement for various categories of SEZs.

Export Oriented Unit Scheme

The Ministry of Commerce, Government introduced the Export Oriented Unit (the “EOU”) Scheme on December 31, 1980. There is no specially earmarked zone under the EOU scheme and an EOU may be set up anywhere in India subject to operation under the customs bond. They are typically required to fulfil certain criteria such as achievement of positive net foreign exchange over a period of five years. EOUs are units which must export their entire production. They may be engaged in the rendering of services, development of software and manufacture of goods, including repair, remaking, reconditioning and re-engineering. EOUs are allowed to import or locally procure, duty free, all types of goods including capital goods required for export production.

Other Indian laws

In addition to the above, our Company and our Subsidiaries in India are also governed by laws in relation to Indian Foreign Trade Policy, 2015-20, under which no export or import can be made by a person without an IEC number unless such person is specifically exempted. We are also governed by foreign exchange related laws and the regulations applicable on investments outside India including the Foreign Exchange Management Act, 1999 and the rules made thereunder.

Certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999 are also applicable to us. In addition to the domestic laws, India is a party to several international intellectual property related instruments including the Patent Co-operation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the International Convention for the Protection of Literary and Artistic Works adopted at Berne in 1886, the Universal Copyright Convention adopted at Geneva in 1952, the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations, 1961, and as a member of the World Trade Organisation is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights which became effective on January 1, 1995.

Additionally, certain IT-related laws such as the Information Technology Act, 2000, which provides legal recognition to electronic records and creates a mechanism for authentication of electronic documentation through digital signatures, the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, and certain state specific laws such as Information Technology and Information Technology Enabled Services Policy, 2015 framed by State of Maharashtra are also applicable to us.

The tax related laws that are pertinent include the Central Excise Act, 1944, the Value Added Tax 2005, the Income Tax Act, the Customs Act, 1962, the Central Sales Tax Act, 1956 and various service tax notifications. Further, certain legislations such as the Shops and Commercial Establishments Acts of various states and certain state specific laws are applicable to our Company and our Subsidiaries.

A wide variety of labour laws are also applicable to our Company and our Subsidiaries, including the Contract Labour (Regulation and Abolition) Act, 1970, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employees' State Insurance Act, 1948, the Industrial Disputes Act, 1947 and the Industrial Disputes (Central) Rules, 1957, the Maternity Benefit Act, 1961, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Payment of Gratuity Act, 1972, the Payment of Wages Act, 1936, Equal Remuneration Act, 1976 and the Workmen's Compensation Act, 1923.

Laws applicable for operations outside India

Our Company operates in various jurisdictions, including North America, Europe, Australia, Singapore and South Africa through our Subsidiaries and branch offices. The relevant laws in these jurisdictions are applicable to our Subsidiaries and branch offices, which relate to incorporation or registration as applicable, labour, immigration, intellectual property, data protection, taxation, and other business related laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as L&T Information Technology Limited on December 23, 1996 at Mumbai as a public limited company under the Companies Act, 1956. Our Company received the certificate of commencement of business on March 25, 1997. Subsequently, the name of our Company was changed to Larsen & Toubro Infotech Limited pursuant to a special resolution passed by our Shareholders at the EGM held on June 11, 2001. The name of our Company was changed to convey our vision for our global brand and to draw strength from our Promoter. Pursuant to the change of name, a fresh certificate of incorporation was issued to our Company by the RoC on June 25, 2001.

As of the date of this Draft Red Herring Prospectus, our Company has seven members.

For information on our Company's profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, see "Our Management", "Our Business" and "Industry Overview" beginning on pages 172, 119 and 104, respectively.

Changes in the Registered Office

There has been no change in the Registered Office since our Company's incorporation.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

- "1. To carry on business of analyzing, designing, maintaining, converting, porting, debugging; coding, outsourcing and programming 'software' to be used on computer or any microprocessor based device or any other kind of electronic and electromechanical devices or any other such hardware within or outside India.*
- 2. To purchase, acquire, develop, enhance, improve, compress, experiment with, supply, distribute, customise, import, export, trade, act as agents / dealers of all kinds of software products.*
- 3. To carry on in India or elsewhere business of data collection, compilation, feeding, converting, processing, analysis, testing or any kind of database management for both analog and digital data including CAD/CAM and digitization services for any individual, company or any authority, government or otherwise.*
- 4. To acquire, design, develop, sell, maintain, upgrade any kind of application which uses voice, image, binary or any other kind of data and any type of man-machine interface.*
- 5. To make or give services for making animation films using computer software for any person or company or authority, government or otherwise.*
- 6. To carry on in India or elsewhere business of providing professional services including system analysis, design and implementation, turnkey project execution, reengineering, process analysis and redesigning, management consultancy in the areas of finance, marketing, manufacturing, distribution, administration, human resource management and any such business related area.*
- 7. To design, develop, maintain, operate, expand, upgrade, lease out any kind of communications network consisting of computer, peripherals and electronic devices including telecommunication equipment, connected through any kind of link with or without cables and to provide value added services on such a network within or outside India.*
- 8. To carry on business of preparing, distributing, selling, importing, exporting, trading, modifying all kinds of educational and entertainment software on any kind of storage devices.*
- 9. To carry on in India or elsewhere any engineering and/or contracting business, and in particular to arrange, procure, give on hire or loan for consideration or otherwise, the services of skilled personnel for software and consultancy."*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association since the incorporation of our Company.

Date of Shareholders' Resolution/ effective date	Particulars
March 30, 2002	Clause V of the Memorandum of Association was amended to reflect sub-division of equity shares of ₹ 10 each into equity shares of ₹ 5 each with effect from March 31, 2002.
May 6, 2003	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 150,000,000 divided into 30,000,000 equity shares of ₹ 5 each to ₹ 152,500,000 divided into 30,500,000 equity shares of ₹5 each with effect from June 1, 2003.
December 7, 2006	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 152,500,000 divided into 30,500,000 equity shares of ₹ 5 each to ₹ 163,750,000 divided into 32,750,000 equity shares of ₹ 5 each.
June 22, 2015	Clause V of the Memorandum of Association was amended to reflect sub-division of equity shares of ₹ 5 each into Equity Shares of ₹ 1 each.
June 22, 2015	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 163,750,000 divided into 163,750,000 Equity Shares of ₹ 1 each to ₹ 200,000,000 divided into 200,000,000 Equity Shares of ₹1 each.
September 21, 2015	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company of ₹ 200,000,000 divided into 200,000,000 Equity Shares of ₹ 1 each was increased to ₹ 240,000,000 divided into 240,000,000 Equity Shares of ₹ 1 each with effect from September 21, 2015, being the effective date of the ISRC Scheme, pursuant to the approval by the Bombay High Court vide its order dated September 4, 2015.

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Financial Year	Particulars
1997	Incorporation of our Company
2002	Our Company was assessed at the Optimizing Level 5 of the Capability Maturity Model for Software, Version 1.1 by the Software Engineering Institute, Carnegie Mellon University, USA for the Mumbai, Navi Mumbai, Pune, Chennai, Bangalore and Mysore development centres.
2007	Our Company acquired GDA USA, an electronic design services company.
2008	Our Company established business in South Africa.
2010	Our Company was appraised at Maturity Level 5 (Optimizing) of CMMI® for Development v1.2 for the units at Mumbai, Navi Mumbai, Pune, Bangalore, Mysore and Chennai.
2011	Our Company acquired transfer agency business unit of Citigroup Fund Services Canada Inc. and renamed it as LTIFST
2013	Our business verticals were re-cast into two clusters- industrials and services.

Financial Year	Particulars
2014	Our Company transferred our PES Business unit to LTTSL.
2015	Our Company acquired ISRC from Otis Elevator Company, USA and Otis Elevator Company (India) Limited, units of United Technologies Corporation.
2015	Our Company is positioning to cater to “Smart Cities” opportunities that we have identified.
2015	Our Company was assessed at maturity Level 5 CMMI-SVC v1.3 for the units at Mumbai, Navi Mumbai, Pune, Bangalore and Chennai.

For details on certain acquisitions, see “Our Business- Acquisitions and Strategic Investments” and “Financial Statements” from pages 141 to 142 and beginning on page 194, respectively. Further, for details on discontinuance of our PES Business, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Financial Statements” and “Our Business” on pages 300, 263 to 264 and 133, respectively.

Awards and Accreditations

1. Our Company was conferred with the “Innovation in Big Data” Award by the NetApp Innovation Awards in the year 2015.
2. Our Company was conferred with the three awards at the World Innovation Congress, 2015 in the Technology, Innovators and Entrepreneurs categories and five awards from the World HRD Congress, 2015 in relation to our Indian operations, including training organisation of the year, best leadership development for middle management, best leadership development program for top management, and most innovative use of training and development as an HR initiative for OD.
3. Our Company was awarded the Honda North America 2014 Performance Excellence Award in the year 2014.
4. Our Company has won two awards during the World Innovation Congress 2014 in relation to Sapphire™, an open source-based social media analysis solution for being the Most Promising New Product-Information Technology and in relation to Campus Next™, a Cloud enterprise solution for academic institutes for the Best Innovative On-Line Service in the year 2014.
5. Our Company was awarded with the Edge Award for implementation of 1-View, a customisable master data management solution, at INTEROP-2013 conference in the year 2013.

Schemes of arrangement

1. Scheme of amalgamation entered into between ISRC and our Company.

On October 17, 2014, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of ISRC with our Company, with the appointed date as October 17, 2014. From the effective date (as defined under the ISRC Scheme) of the ISRC Scheme, the entire business and undertaking of ISRC including all its assets, liabilities, rights, duties, and obligations shall be transferred to our Company. In accordance with the ISRC Scheme, the authorised share capital of ISRC will be added to the authorised share capital of our Company and accordingly, the authorised share capital of our Company shall be ₹ 240,000,000. There shall be no issue of Equity Shares under the ISRC Scheme. On September 4, 2015, the Bombay High Court approved the ISRC Scheme (the “ISRC Order”). On September 21, 2015, the ISRC Order was filed with the RoC and the same shall be considered as the effective date under the ISRC Scheme.

2. Scheme of amalgamation entered into between GDA Technologies and our Company, which has been filed with the Bombay High Court and the Madras High Court.

On October 17, 2014, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of GDA Technologies with our Company, with the appointed date as earlier of April 1, 2016 or the effective date of the GDA Scheme, or such other date as may be approved. Upon the GDA Scheme being effective, the share capital of GDA Technologies shall

stand automatically cancelled. The entire undertaking of GDA Technologies including all its assets, liabilities, rights, duties, and obligations shall be transferred to our Company. There shall be no issue of Equity Shares under the GDA Scheme. There shall be no effect on the authorised share capital of our Company. The application for dispensation of shareholders' meeting has been filed with the Bombay High Court and the Madras High Court on August 7, 2015 and August 26, 2015, respectively. The GDA Scheme is currently pending for approval before the Bombay High Court and the Madras High Court.

Certain other agreements are specified below:

1. Share subscription and shareholders' agreement dated October 11, 2012 (the "South Africa SHA") entered into amongst Befula Investments, L&T Infotech South Africa and our Company.

Pursuant to the South Africa SHA, our Company formed a joint venture with Befula Investments, a company incorporated in South Africa, with the holding of our Company and Befula Investments being 74.9% and 25.1%, respectively, in L&T Infotech South Africa. Our Company was required to subscribe to 629 equity shares of ZAR 1 each.

2. Business transfer agreement dated December 16, 2013 (the "Business Transfer Agreement") entered into between LTTSL and our Company, as amended by addendum dated March 31, 2014 and addendum no. 1 dated June 19, 2014.

Pursuant to the Business Transfer Agreement, our Company sold our PES Business to LTTSL for an aggregate consideration of ₹ 5,024.50 million as a going concern in a slump sale on an as-is-where-is basis. The sale of our PES Business includes all rights and interest in the assets exclusively pertaining to our PES Business, services of the then employees of our Company and all records pertaining to our PES Business. Subsequently, by addendum dated March 31, 2014, the parties established their understanding that the consideration of ₹ 5,024.50 million includes consideration of sale of our PES Business of our Company operating in Germany amounting to ₹ 129.20 million. Thereafter, the parties entered into an addendum no. 1 dated June 19, 2014 which stipulates the details of assets and liabilities of LTTSL as on December 31, 2013.

Our Holding Company

Our Promoter is our holding company. For details of our holding company, see "Our Promoter and Promoter Group" beginning on page 172.

Our Subsidiaries

As of the date of this Draft Red Herring Prospectus, our Company has eight Subsidiaries. For details regarding our Subsidiaries, see "Our Subsidiaries" beginning on page 152.

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity and debt, see "Capital Structure", "Financial Statements" and "Financial Indebtedness" beginning on pages 81, 194 and 294, respectively.

Injunctions or restraining order against our Company

As of the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

Financial and Strategic Partners

Our Company does not have a financial or a strategic partner as of the date of the Draft Red Herring Prospectus.

OUR SUBSIDIARIES

Unless otherwise specified, all information in this section is as of the date of this Draft Red Herring Prospectus.

Our Company has the following subsidiaries:

Subsidiaries of our Company

1. L&T Infotech Financial Services Technologies Inc.;
2. Larsen & Toubro Infotech GmbH;
3. Larsen & Toubro Infotech Canada Ltd.;
4. Larsen And Toubro Infotech South Africa (Proprietary) Limited;
5. Larsen & Toubro Infotech Austria GmbH;
6. Larsen & Toubro Infotech LLC;
7. L&T Information Technology Services (Shanghai) Co. Limited; and
8. GDA Technologies Limited.

Details of the Subsidiaries

1. L&T Infotech Financial Services Technologies Inc.

Corporate Information:

LTIFST was incorporated as CF L&T FTServ Financial Services Technologies Inc. on November 19, 2010, under the laws of Canada, in Canada and acquired by our Company on January 1, 2011. Subsequently, the name of CF L&T FTServ Financial Services Technologies Inc. was changed to LTIFST on January 1, 2011. LTIFST is involved in the business of providing IT services.

Capital Structure:

	No. of common shares at no par value
Authorised capital	1,000,000
Issued, subscribed and paid-up capital	1,000,000

Shareholding Pattern:

The shareholding pattern of LTIFST is as follows:

Sr. No.	Name of the shareholder	No. of common shares at no par value	Percentage of total equity holding (%)
1.	Larsen & Toubro Infotech Limited	1,000,000	100
Total		1,000,000	100

There are no accumulated profits or losses of LTIFST not accounted for by our Company for the Financial Year 2015.

2. Larsen & Toubro Infotech GmbH

Corporate Information:

L&T Infotech GmbH was incorporated as L&T Information Technology GmbH on June 14, 1999 under the laws of Germany, at Leipzig, Germany. Subsequently, the name of L&T Information Technology GmbH was changed to L&T Infotech GmbH on July 17, 2001. L&T Infotech GmbH is involved in the business of rendering consulting services in the field of IT and trade with goods and rights of all kinds, especially with installations, equipment, and fixture for IT and software.

Capital Structure:

	No. of equity shares of Euro 25,000
Authorised capital	1
Issued, subscribed and paid-up capital	1

Shareholding Pattern:

The shareholding pattern of L&T Infotech GmbH is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of Euro 25,000	Percentage of total equity holding (%)
1.	Larsen & Toubro Infotech Limited	1	100
Total		1	100

There are no accumulated profits or losses of L&T Infotech GmbH not accounted for by our Company for the Financial Year 2015.

3. Larsen & Toubro Infotech Canada Ltd.**Corporate Information:**

L&T Infotech Canada was incorporated as Larsen & Toubro Information Technology Canada Ltd. on April 25, 2000, under the laws of Canada, at Ontario, Canada, which was acquired by our Company on October 14, 2005. Subsequently, the name of Larsen & Toubro Information Technology Canada Ltd. was changed to L&T Infotech Canada on April 22, 2008. L&T Infotech Canada is involved in the business of software development and consultancy services.

Capital Structure:

	No. of common shares of CAD 1 each
Authorised capital	unlimited
Issued, subscribed and paid-up capital	100

Shareholding Pattern:

The shareholding pattern of L&T Infotech Canada is as follows:

Sr. No.	Name of the shareholder	No. of common shares of CAD 1 each	Percentage of total equity holding (%)
1.	Larsen & Toubro Infotech Limited	100	100
Total		100	100

There are no accumulated profits or losses of L&T Infotech Canada not accounted for by our Company for the Financial Year 2015.

4. Larsen And Toubro Infotech South Africa (Proprietary) Limited**Corporate Information:**

L&T Infotech South Africa was incorporated as Seven Wood Trading 99 Proprietary Limited on April 5, 2011, under the laws of Republic of South Africa, at Cape Town, South Africa. Subsequently, the name of Seven Wood Trading 99 Proprietary Limited was changed to L&T Infotech South Africa on July 24, 2012. L&T Infotech South Africa is involved in the business of providing IT services including business process outsourcing and IT enabled services, outsourcing support and allied services. On July 25, 2012, our Company acquired the entire existing shareholding in L&T Infotech South Africa and made it our wholly owned subsidiary. For the purposes of expansion of our Company's presence in South Africa and to market and leverage our existing business, we partnered with Befula Investments, a company incorporated in South Africa, to form a joint venture with a shareholding of our Company and Befula Investments in the ratio of 74.9: 25.1. For further details on our arrangement with Befula Investments, see "History and Certain Corporate Matters- Share

subscription and shareholders' agreement dated October 11, 2012 entered into amongst Befula Investments, L&T Infotech South Africa and our Company" on page 151.

Capital Structure:

	No. of ordinary shares at no par value
Authorised capital	450,000
Issued, subscribed and paid-up capital	443,725

Shareholding Pattern:

The shareholding pattern of L&T Infotech South Africa is as follows:

Sr. No.	Name of the shareholder	No. of ordinary shares at no par value	Percentage of total equity holding (%)
1.	Larsen & Toubro Infotech Limited	332,350	74.9
2.	Befula Investments	111,375	25.1
Total		443,725	100

There are no accumulated profits or losses of L&T Infotech South Africa not accounted for by our Company for the Financial Year 2015.

5. Larsen & Toubro Infotech Austria GmbH

Corporate Information:

L&T Infotech Austria was incorporated on June 18, 2015, under the laws of Austria, at Vienna, Austria. L&T Infotech Austria is authorised to do the business of providing services in the field of automatic data processing and IT, IT-consulting and IT-related services, including outsourcing support and allied services. L&T Infotech Austria has not yet commenced its operations.

Capital Structure:

	Share capital
Authorised capital	Euro 35,000
Issued, subscribed and paid-up capital	Euro 5,000

Shareholding Pattern:

The shareholding pattern of L&T Infotech Austria is as follows:

Sr. No.	Name of the shareholder	Percentage of total holding (%)
1.	Larsen & Toubro Infotech Limited	100
Total		100

There are no accumulated profits or losses of L&T Infotech Austria not accounted for by our Company for the Financial Year 2015.

6. Larsen & Toubro Infotech LLC

Corporate Information:

L&T Infotech LLC was incorporated on July 21, 2009, under the laws of the State of Delaware, in the USA. L&T Infotech LLC is involved in the business of IT related services. L&T Infotech LLC is incorporated as a limited liability company and our Company is its sole shareholder. The laws of State of Delaware, USA permit a single shareholder to form a business structure without the need of making contribution of share capital in the form of cash.

Shareholding Pattern:

The shareholding pattern of L&T Infotech LLC is as follows:

Sr. No.	Name of the shareholder	Percentage of total holding (%)
1.	Larsen & Toubro Infotech Limited	100
Total		100

There are no accumulated profits or losses of L&T Infotech LLC not accounted for by our Company for the Financial Year 2015.

7. L&T Information Technology Services (Shanghai) Co. Limited

Corporate Information:

L&T Infotech Shanghai was incorporated on June 28, 2013 under the laws of the People's Republic of China, at Shanghai. L&T Infotech Shanghai is involved in the business of *inter alia*, technology services, computer software (excluding audio visual products and publications) design, development and production, sales of own products and after sale services, commission agency (excluding auction) in relation to computer software and hardware, engineering and technical consulting. Investment in L&T Infotech Shanghai is not denominated in number of equity shares as per the laws of the People's Republic of China.

Capital Structure:

	Total investment and registered capital
Registered capital	USD 175,000
Issued, subscribed and paid-up capital	USD 175,000

Shareholding Pattern:

The shareholding pattern of L&T Infotech Shanghai is as follows:

Sr. No.	Name of the shareholder	Value of holding	Percentage of total paid up capital
1.	Larsen & Toubro Infotech Limited	USD 175,000	100%
Total		USD 175,000	100%

There are no accumulated profits or losses of L&T Infotech Shanghai not accounted for by our Company for the Financial Year 2015.

8. GDA Technologies Limited

Corporate Information:

GDA Technologies was incorporated on October 22, 1997 under the Companies Act, 1956, at Coimbatore, Tamil Nadu and became our Subsidiary on March 15, 2007 through the acquisition of GDA Technologies Inc. GDA Technologies is involved in the business of *inter alia*, designing, developing and manufacturing of hardware and software, providing consultancy services in the areas of system definition, maintenance and distribution of products in India and abroad and designing and developing technologies in the area of software, animation, graphics and internet. In accordance with the GDA Scheme, GDA Technologies shall be amalgamated with our Company. For further details of the GDA Scheme, see "History and Certain Corporate Matters- Scheme of amalgamation entered into between GDA Technologies and our Company, which has been filed with the Bombay High Court and the Madras High Court" from pages 150-151.

Capital Structure:

	No. of equity shares of ₹ 10 each
Authorised capital	400,000
Issued, subscribed and paid-up capital	168,197

Shareholding Pattern:

The shareholding pattern of GDA Technologies is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Larsen & Toubro Infotech Limited	167,234	99.43
2.	A.M. Naik*	900	0.50
3.	V. V. Deshmukh*	18	0.02
4.	V. K. Magapu*	18	0.02
5.	C.V. Alavandi*	9	0.01
6.	M.V. Ramana*	9	0.01
7.	N.V. Ramesh*	9	0.01
Total		168,197	100.00

*Equity shares held jointly as nominees on behalf of our Company.

There are no accumulated profits or losses of GDA Technologies not accounted for by our Company for the Financial Year 2015.

Other Confirmations

None of our Subsidiaries have made any public or rights issue in the last three years.

None of our Subsidiaries are listed on any stock exchange in India or abroad.

LTIFST contributes 12.38% of the consolidated assets of our Company in the preceeding Financial Year. The revenue and profit after tax of LTIFST for the Financial Year 2015 is set out below:

Total income (in ₹ million)	2,047.64
Profit after tax (in ₹ million)	(176.86)

For further details, see “Our Subsidiaries- L&T Infotech Financial Services Technologies Inc.” on page 152.

Interest of the Subsidiaries in our Company

None of our Subsidiaries hold any Equity Shares in our Company.

None of our Subsidiaries have any business interest in our Company except as stated in the “Our Business” and “Related Party Transactions” beginning on pages 119 and 192, respectively.

Material Transactions

There are no sales or purchase between any of the Subsidiaries and our Company where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Common Pursuits

Our Company undertakes its business through its Subsidiaries and accordingly, there are certain common pursuits amongst our Subsidiaries and our Company.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have not less than three directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of six Directors.

The following table sets forth details regarding our Board:

Name, Father's Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
A. M. Naik Father's name: Late Manibhai Naik Designation: Non-Executive Chairman Address: High Trees, 54 Pali Hill, Bandra (W), Mumbai 400 050 Occupation: Service Nationality: Indian Term: Liable to retire by rotation DIN: 00001514	73	• Larsen & Toubro Limited; • L&T Realty Limited; and • L&T Technology Services Limited.
Sanjay Jalona Father's name: Shyam Kumar Jalona Designation: Chief Executive Officer and Managing Director Address: 79/9, Sunny Brooks, Sarjapur Road, Bengaluru 560035 Occupation: Service Nationality: Indian Term: For a period of five years from August 10, 2015 to August 9, 2020 DIN: 07256786	46	None
S. N. Subrahmanyam Father's name: Sekharipuram Subrahmanyam Narayanan Designation: Non-Executive Director Address: E-116, 16th Cross Street, Besant Nagar, Chennai 600 090, Tamil Nadu Occupation: Service Nationality: Indian Term: Liable to retire by rotation	55	• Larsen & Toubro Limited; • L&T Technology Services Limited; and • Construction Skill Development Council of India.

Name, Father's Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
DIN: 02255382		
Samir Desai Father's Name: Thakorbhai R. Desai Designation: Independent Director Address: 7050 NW 126 Terrace, Parkland, Florida 33076, United States of America Occupation: Professional (Retired) Nationality: Citizen of United States of America Term: For a period of three years from April 1, 2014 to March 31, 2017 DIN: 01182256	69	L&T Technology Services Limited
M. M. Chitale Father's Name: Manohar Chitale Designation: Independent Director Address: 4/46, Vishnuprasad Society, Shahaji Raje Marg, Vile Parle (East), Mumbai 400 057 Occupation: Chartered Accountant Nationality: Indian Term: For a period of three years from April 1, 2014 to March 31, 2017 DIN: 00101004	65	• Larsen & Toubro Limited; • Asrec (India) Limited; • Atul Limited; • Essel Propack Limited; • ITZ Cash Card Limited; • L&T General Insurance Company Limited; • ONGC Mangalore Petrochemicals Limited; • ONGC Petro Additions Limited; • Principal Pnb Asset Management Company Private Limited; and • Ram Ratna Wires Limited.
Vedika Bhandarkar Father's Name: Late Upendra Nath Upadhyaya Designation: Independent Director Address: B-8, Sea Face Park, 50 Bhulabhai Desai Road, Mumbai 400 026 Occupation: Professional Nationality: Indian Term: For a period of five years from March 16, 2015 to March 15, 2020. DIN: 00033808	47	• Tata Autocomp Systems Limited; • Tata Motors Finance Solutions Limited; • Tata Motors Finance Limited; and • Tata Investment Corporation Limited

Sanjay Jalona, Samir Desai, M. M. Chitale and Vedika Bhandarkar, who have been appointed for a fixed term, are not liable to retire by rotation.

Relationship between our Directors

None of our Directors are related to each other.

Brief Biographies of Directors

A. M. Naik is the Non-Executive Chairman of our Company. He obtained his graduate degree in mechanical engineering from the Birla Vishvakarma Mahavidyalaya, Sardar Patel University of Gujarat. He has been associated with our Promoter for over five decades. He rapidly rose to secure the position of Managing Director & CEO, followed by Chairman in 2004 and culminating in Group Executive Chairman in 2012. He is the Hon. Consul General for Denmark in Mumbai and was awarded the Order of the Dannebrog as Knight 1st Class by Queen Margrethe of Denmark. He has also been appointed as the Chairman of Board of Governors of Indian Institute of Management, Ahmedabad for three years starting March 29, 2015. He has made several contributions for social upliftment and has contributed to the setting up of certain educational facilities and hospitals such as the Kharel Education Society, the Manibhai Nichhabhai Naik Higher Secondary School, the Anil Naik Technical Training Centre, the Nirali Memorial Radiation Centre and the Bharat Cancer Hospital & Research Centre. He has secured several global, national and professional honours, including the “Padma Bhushan”, “Gujarat Garima Award” – Gujarat’s highest civilian honour, “Asia Business Leader of the Year Award” and “India’s Business Leader of the Year Award” by CNBC Asia, “Business Leader of the Year (Building India) Award” by NDTV Profit and “Business Leader of the Year Award” by the Economic Times. He has been a Director of our Company since December 23, 1996.

Sanjay Jalona is the Chief Executive Officer and Managing Director of our Company. He has obtained a post graduate degree in engineering from the Birla Institute of Technology and Science, Pilani. He has over 25 years of experience in the IT industry. Prior to joining our Company, he worked at Infosys Limited as the Executive Vice President and Global Head of High-Tech, Manufacturing and Engineering Services. He also served as a member of the Board of Lodestone Holding AG, the management consulting subsidiary of Infosys in Europe and has also chaired the Board of Infosys Technologies (China) Company Limited and Infosys Technologies (Shanghai) Company Limited. He serves on the Industry Advisory Board of the Tauber Institute for Global Operations at the University of Michigan. He was appointed as a Director of our Company with effect from August 10, 2015.

S. N. Subrahmanyam is a Non-Executive Director of our Company. He has obtained a graduate degree in civil engineering from the Kurukshetra University, Haryana and has completed a post-graduate course in business administration from Symbiosis Institute of Business Management, Pune. He has over 30 years of experience in the infrastructure and construction industry. He joined the L&T group in 1984. He is a member of the Governing Council of the Construction Skill Development Council of India. He is also a member of the Board of Governors of the National Institute of Construction Management and Research. Mr. Subrahmanyam is a Fellow of the Institution of Civil Engineers- United Kingdom. He was the Chairman of the CII Gulf Committee for the Financial Year 2012 and was a member of the Working Committee, Projects Exports Promotion Council. Mr. Subrahmanyam was awarded the “Leadership Award” by the Qatar Contractors Forum in 2014. He was ranked 36th in the “2014 Construction Week Power 100” in the global construction sector in a survey by international publication the Construction Week, in its issue dated June 22, 2014. In 2012, he was awarded with the “Outstanding Contribution to Industry (Infrastructure)” by the Construction Week Magazine. He was appointed as Director of our Company on January 10, 2015.

Samir Desai is an Independent Director of our Company. He has obtained a post-graduate degree in electrical engineering from the Illinois Institute of Technology. He also holds a post-graduate degree in business administration from Loyola University, Chicago. Mr. Desai has over 30 years of experience in management. Prior to joining our Company, he worked at Motorola for over 30 years and has also served as a chief information officer at Motorola. He has also served as general manager of iDEN® Networks & Devices. He was appointed as a Director of our Company on January 27, 2007.

M. M. Chitale is an Independent Director of our Company. He has obtained a graduate degree in commerce from the University of Mumbai. He is a qualified Chartered Accountant. He has over 40 years of experience as a Chartered Accountant in practice. He has been a fellow member of the ICAI and has served as the President of ICAI in the year 1997-98. He was also associated as a member of governing council of Banking Codes and Standards Board of India. Mr. Chitale was also the Chairman of the Ethics Committee of the Stock Exchange, Mumbai. He was a member of Advisory Board on Bank, Commercial and Financial Frauds. He was also a member of the group for Amalgamation of Urban Co-operative Banks. He was a member of the Working Group on Restructuring of Weak Public Sector Banks appointed by RBI (Verma Committee) and the Committee on Procedures and Performance Audit of Public Services appointed by RBI (Dr. Tarapore Committee) as well. He was appointed as the Chairman of National Advisory Committee on Accounting Standards. He was appointed as a Director of our Company on October 17, 2011.

Vedika Bhandarkar is an Independent Director of our Company. She has obtained her graduate degree in science from the Mohanlal Sukhadia University, Udaipur and completed a two year post-graduate programme in management from the Indian Institute of Management, Ahmedabad. She has over 25 years of experience in the financial services industry. Prior to joining our Company, she held the position of the Managing Director and Vice-Chairman, India, of Credit Suisse Securities (India) Private Limited (“Credit Suisse”). She has served as the head of Indian investment banking and global markets solution group, India, at Credit Suisse from July 2010 to February 2015. She has also worked with JP Morgan India Private Limited in India as the Managing Director from May 1998 to July 2010. She was appointed as a Director of our Company with effect from March 16, 2015.

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange.

Terms of appointment of the Executive Director

Sanjay Jalona was appointed as the Chief Executive Officer and Managing Director of our Company pursuant to the resolution passed by our Board on July 27, 2015, for the period commencing from August 10, 2015 up to and including August 9, 2020. Pursuant to the employment agreement dated August 26, 2015, entered into between Sanjay Jalona and our Company (the “Employment Agreement”), he shall be entitled to the following remuneration as given hereunder⁽¹⁾:

Particulars	Indian remuneration (based in India) (₹)	USA remuneration (based in USA) (USD)
Base pay	1.875 million per month	750,000 per annum
Variable compensation ⁽²⁾	Upto 7.5 million per annum	Upto 180,000 per annum
Retention bonus ⁽³⁾	2.5 million per annum	300,000 per annum
Commission on profit	0.2% of the standalone PAT, calculated as per the Companies Act, 2013	
Stock compensation	Mr. Jalona will be eligible to receive employee stock options having a market value of USD 2 million at the time of grant under our Company’s employee stock ownership scheme	

Notes:

- (1) The Indian remuneration shall be applicable when Mr. Jalona is based in India. Upon obtaining a valid work permit to work in the U.S.A and commencing such work, USA remuneration shall become applicable. The remuneration for the Financial Year 2016 would be paid on pro-rata basis.
- (2) Variable compensation will be based on the achievement of the milestones/goals, laid out in the variable compensation plan as set out annually.
- (3) Mr. Jalona will have an option to convert the retention bonus in part or full into employee stock options.
- (4) The definition of profit for the purpose of commission will be the operating net PAT, for and from the Financial Year 2016 and excluding extraordinary/exceptional profits or losses arising from sale of business/assets, sale of shares in any of our subsidiaries and associate companies/special purpose vehicles/joint ventures and also from sale of strategic investments/adjustment in valuation of strategic investments. The commission on PAT and conversion rate of USD and Rupee figures, for such computations shall be as on day when that accounts are approved for the pertinent Financial Year, in accordance with the Companies Act, 2013.

Other benefits provided under the Employment Agreement include (i) coverage under the Larsen & Toubro Officers and Supervisory Staff Provident Fund Scheme, (ii) medical benefits and health insurance, (iii) employee benefit programs, (iv) leave encashment and (v) reimbursement of expenses.

Sanjay Jalona shall not be entitled to sitting fees for attending the meetings of our Board or committees of our Company from the date of his appointment.

If the Employment Agreement is terminated by our Company, Sanjay Jalona will be entitled to twelve months' base pay if the Employment Agreement is terminated within the first year of service, and if the Employment Agreement is terminated after the first year of service, he will be entitled to six months' base pay or, in case of non-performance or low performance, three months' full base pay and three months' half base pay.

Payment or benefit to Directors of our Company

The sitting fees/other remuneration paid to our Directors in Financial Year 2015 are as follows:

1. Remuneration to Executive Director:

No remuneration has been paid to Sanjay Jalona, Chief Executive Officer and Managing Director, in the Financial Year 2015 as he has been appointed by our Company with effect from August 10, 2015.

2. Remuneration to Non-Executive Directors:

The aggregate value of the remuneration paid to the existing Non-Executive Directors in the Financial Year 2015 is ₹ 3.45 million.

The details of the remuneration and sitting fees paid to the existing Non-Executive Directors of our Company in the Financial Year 2015 are set forth in the table below:

Sr. No.	Name of the Director	Sitting Fees (in ₹ million)	Commission (in ₹ million)	Total (in ₹ million)
1.	Samir Desai	0.38	2.77	3.15
2.	M. M. Chitale	0.30	Nil	0.30
3.	A. M. Naik	Nil	Nil	Nil
4.	S. N. Subrahmanyam	Nil	Nil	Nil
5.	Vedika Bhandarkar	Nil	Nil	Nil

In addition to the above, certain Directors have also been granted employee stock options. For further details, see "Capital Structure" from pages 91 to 92.

Except as disclosed in "Related Party Transactions" on page 192, none of the beneficiaries of loans, and advances and sundry debtors are related to the Directors of our Company. Further, except statutory benefits upon termination of their employment in our Company or retirement, other than Sanjay Jalona, none of our Directors are entitled to any benefits upon termination of employment. If the Employment Agreement is terminated by our Company, Sanjay Jalona will be entitled to twelve months' base pay if the Employment Agreement is terminated within the first year of service, and if the Employment Agreement is terminated after the first year of service, he will be entitled to six months' base pay or, in case of non-performance or low performance, three months' full base pay and three months' half base pay.

No remuneration has been paid, or is payable, by our Subsidiaries to the Directors of our Company.

Except for Sanjay Jalona, none of the Directors are a party to any bonus or profit sharing plan of our Company.

Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on the Board or member of senior management.

Shareholding of Directors in our Company:

Our Directors do not hold any Equity Shares as of the date of filing this Draft Red Herring Prospectus.

Our Articles of Association do not require our Directors to hold any qualification shares.

Shareholding of Directors in Subsidiaries

The shareholding of the Directors in our Subsidiaries is set forth below:

Name of the Subsidiary	Number of equity shares	Percentage Shareholding (%)
A. M. Naik*		
GDA Technologies Limited	900	0.50

* Equity Shares held jointly as a nominee of our Company

Appointment of relatives of Directors to any office or place of profit

None of the relatives of our Directors currently hold any office or place of profit in our Company.

Interest of Directors

All Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and Committees thereof, and reimbursement of expenses payable to them under our Articles of Association and commission payable to them as approved by our Board of Directors. Our Executive Director may be deemed to be interested to the extent of other remuneration and reimbursement of expenses payable to him under our Articles of Association and to the extent of remuneration paid to him for services rendered as an officer of our Company.

Our Directors may also be regarded as interested in the Equity Shares or employee stock options held by them or that may be subscribed or Allotted, pursuant to the Offer, to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters.

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

Our Directors have no interest in the promotion of our Company other than in the ordinary course of business.

Further, our Directors have no interest in any property acquired within two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Except as stated in “Related Party Transactions” on page 192, our Directors do not have any other interest in our business.

No loans have been availed by our Directors or the Key Management Personnel from our Company.

Changes in the Board in the last three years

Name	Date of Appointment/ Change/ Cessation	Reason
V.K. Magapu	October 1, 2012 ⁽¹⁾	Appointed as Managing Director
K.R.L. Narasimham	April 8, 2013 ⁽²⁾	Re-appointed as Executive Director
R. Shankar Raman	May 3, 2013 ⁽³⁾	Appointed as Non-Executive Director
Y. M. Deosthalee	May 7, 2013	Ceased to be Non-Executive Director
V.K. Magapu	October 1, 2013 ⁽¹⁾	Re-appointed as Managing Director
K.R.L. Narasimham	April 8, 2014 ⁽²⁾	Re-appointed as Executive Director
Keshab Panda	April 30, 2014	Ceased to be Non-Executive Director
Chandrashekara Kakal	July 21, 2014 ⁽⁴⁾	Appointed as Executive Director
V.K. Magapu	October 1, 2014	Re-appointed as Managing Director
Vivek Chopra	December 31, 2014	Ceased to be Executive Director
S. N. Subrahmanyam	January 10, 2015 ⁽⁵⁾	Appointed as Non-Executive Director
Sunil Pande	January 10, 2015 ⁽⁵⁾	Appointed as Executive Director
Mukesh Aghi	February 28, 2015	Ceased to be Executive Director
Vedika Bhandarkar	March 16, 2015 ⁽⁵⁾	Appointed as Independent Director
Rama Iyer	April 1, 2015	Ceased to be Independent Director
K.R.L. Narasimham	April 8, 2015	Ceased to be Executive Director
Sanjay Jalona	August 10, 2015 ⁽⁶⁾	Appointed as Chief Executive Officer and Managing Director
Sunil Pande	August 26, 2015	Ceased to be Executive Director
Chandrashekara Kakal	August 27, 2015	Ceased to be Executive Director
V.K. Magapu	September 26, 2015	Ceased to be Managing Director

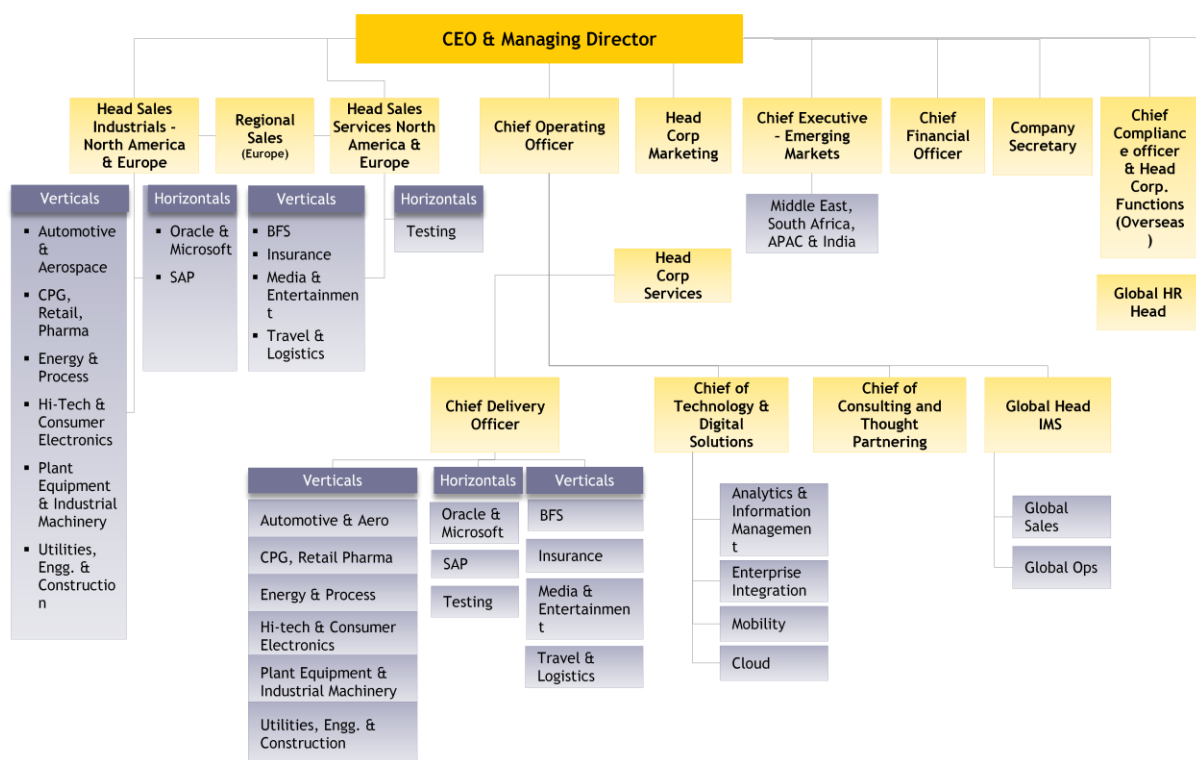
Name	Date of Appointment/ Change/ Cessation	Reason
R. Shankar Raman	September 26, 2015	Ceased to be Non-Executive Director

- (1) The Shareholders of our Company approved appointment of V.K. Magapu as the Managing Director on September 13, 2012 and consequent re-appointments on August 19, 2013 and September 10, 2014.
- (2) The Shareholders of our Company approved the re-appointment of K.R.L. Narasimham as Executive Director on January 25, 2013 and subsequently on March 31, 2014.
- (3) The Shareholders approved appointment of R. Shankar Raman as a director on August 26, 2013.
- (4) The Shareholders approved appointment of Chandrashekara Kakal as a director on September 10, 2014. Further, Rama Iyer, M. M. Chitale and Samir Desai were appointed as Independent Directors under the Companies Act, 2013 for a fixed term on September 10, 2014.
- (5) The Shareholders approved appointment of S. N. Subrahmanyam, Sunil Pande and Vedika Bhandarkar as directors on June 12, 2015.
- (6) The Shareholders approved appointment of Sanjay Jalona as the Chief Executive Director and Managing Director on September 14, 2015.

Borrowing Powers of Board

Our Board of Directors is authorised to borrow any sum or sums of money from time to time which together with monies already borrowed by our Company do not exceed the aggregate of the paid-up capital of our Company and its reserves, apart from temporary loans obtained from our Company's bankers in the ordinary course of business.

Management Organisation Chart



Key Management Personnel

Brief Biographies of Key Management Personnel

For details in relation to biographies of Sanjay Jalona, see “Our Management- Brief Biographies of Directors” from pages 159 to 160.

Sunil Pande, aged 65 years, is the Business Head-Services of our Company. He joined our Company on November 21, 2014. He has obtained a graduate degree in electrical engineering from the Indian Institute of Technology, Delhi. He has over 44 years of experience in various fields such as engineering and IT services. From 2000 to 2009, he served as the Country Manager- USA for our Company. Previously, Mr. Pande worked with L&T Power Limited as the Executive Vice President. Currently, he leads the services cluster of our

Company in the Americas and Europe. In addition, he also plays the role of the Chief Compliance Officer and Head of Corporate Functions (Overseas). He is based out of New Jersey, USA. During the Financial Year 2015, he was paid gross compensation of ₹ 4.38 million. In addition to the same, he is also entitled to variable compensation for the Financial Year 2015 and shall be paid accordingly.

Makarand Deolalkar, aged 53 years, is the Business Head-Industrials of our Company. He joined our Company on June 29, 1998. He holds a graduate degree in engineering (electrical and electronics) from the Birla Institute of Technology and Science, Pilani. He has over 31 years of experience in the IT industry. Previously, he worked at Tata Consultancy Services Limited. In our Company, he is responsible for sales and business development for the Industrials Cluster excluding oil and gas vertical, covering the region of North America and Europe. During the Financial Year 2015, he was paid gross compensation of ₹ 18.43 million, which includes compensation accrued to him in Financial Year 2014 but paid in Financial Year 2015 and compensation accrued to him in Financial Year 2015 but payable in Financial Year 2016.

Vinay Rajadhyaksha, aged 53 years, is the Chief Delivery Officer of our Company. He joined our Company on August 14, 2014. He has obtained his diploma in Production Engineering from Agnel Junior Technical College, a graduate degree in Commerce from the Osmania University and holds a post-graduate diploma in software technology from National Centre for Software Technology. He has over 25 years of experience in the IT industry. Previously, he has worked as President- Delivery Operations and IA of Mastek Limited and prior to same as Chief Delivery Officer of Mphasis Limited. This is his second stint at our Company and he has previously worked with us from 1997 to 2004. In our Company, he is responsible for global delivery of services and resource management. During the Financial Year 2015, he was paid gross compensation of ₹ 7.51 million, which includes compensation accrued to him in Financial Year 2015 but payable in Financial Year 2016.

Manoj Biswas, aged 47 years, is the Global HR Head of our Company. He joined our Company on July 30, 2015. He holds a graduate degree in science, and a post graduate diploma in personnel management and industrial relations. He is also the recipient of “HR Leadership Award” from Business World in 2015. He has over 12 years of experience in the IT industry and has also served with the armed forces. Prior to this, he was the Managing Director, Human Resources with Accenture India Private Limited. In our Company, he is responsible for the human resource function, across all locations of our Company. He did not receive any compensation from our Company during the Financial Year 2015.

A. K. Sonthalia, aged 47 years, is the Chief Financial Officer of our Company. He joined our Company on August 26, 2015. He is a Chartered Accountant. He has over 24 years of experience in the areas of strategic financial planning, treasury and finance and accounts in various industry verticals. Previously, he has worked at senior finance positions in L&T Power IC, Greaves Cotton Limited and Tata Group Companies- Tata Inc. (USA), and Tata Chemicals Limited. He completed a one year management programme for Tata Steel officers from XLRI, Jamshedpur. In our Company, he has overall responsibility for the finance function. He did not receive any compensation from our Company during the Financial Year 2015.

S. K. Bhatt, aged 62 years, is the Company Secretary of our Company. He joined our Company on August 26, 2015. He holds a graduate degree in law from University of Mumbai and a post graduate degree in commerce and financial management from University of Mumbai. He is a fellow member of the ICSI. He has over 44 years of experience in various fields such as banking, corporate finance, legal and corporate compliance. He has worked for 16 years in Bank of India followed by over three years with Chemical Terminal Trombay Limited, a subsidiary of Tata Power Company Limited as the Company Secretary and Finance Manager. Post this, he has worked at Godrej Industries Limited as the Executive Vice- President (Corporate Services) and Company Secretary. He was appointed by our Promoter as the Chief Legal Advisor on May 2, 2009, a position he holds currently. As Chief Legal Advisor of our Promoter, he is responsible for all corporate related matters and he also supervises legal matters. He did not receive any compensation from our Company during the Financial Year 2015.

Except for that of Sanjay Jalona, none of the appointment or deputation letters issued to the Key Management Personnel specify the term of office of the Key Management Personnel. However, the appointment letters issued by our Promoter to S. K. Bhatt and Sunil Pande, who are deputed by our Promoter to our Company, provide for their retirement on January 1, 2017 and March 31, 2016, respectively.

Further, except statutory benefits upon termination of their employment in our Company or retirement, none of our Key Management Personnel are entitled to any benefits upon termination of employment other than Sanjay Jalona. For further details in relation to termination benefits of Sanjay Jalona, see “Our Management- Terms of appointment of the Executive Director” from pages 160 to 161.

None of our Key Management Personnel are related to each other.

Except (i) S. K. Bhatt and (ii) Sunil Pande, who are deputed by our Promoter to our Company, all our Key Management Personnel are the permanent employees of our Company. Our Promoter recovers from our Company, the remuneration paid to the deputed Key Management Personnel.

Except (i) S. K. Bhatt and (ii) Sunil Pande, who are deputed by our Promoter to our Company, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel were selected as a Director or a member of our senior management.

Shareholding of Key Management Personnel

None of our Key Management Personnel hold any Equity Shares in our Company as of the date of this Draft Red Herring Prospectus.

Bonus or profit sharing plan of the Key Management Personnel

Except for Sanjay Jalona and certain performance linked incentives and retention pay set out in the respective appointment letters of the Key Management Personnel, our Company does not have any bonus or profit sharing plan for the Key Management Personnel. For further details in relation to entitlement under profit sharing plan for Sanjay Jalona, see “Our Management-Terms of appointment of the Executive Director” from pages 160 to 161. However, in the Financial Year 2015, incentives paid to Makarand Deolalkar and Vinay Rajadhyaksha were based on certain performance linked incentives set out in the variable compensation plan applicable for the Financial Year 2015 on the basis of their designation.

Interests of Key Management Personnel

None of our Key Management Personnel have any interests in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and the employee stock options held, if any.

Changes in our Key Management Personnel

The changes in our Key Management Personnel in the last three years are as follows:

Name	Date of change	Reason for change
Chandrashekara Kakal	May 26, 2014	Appointed as Chief Operating Officer
Makarand Deolalkar	December 3, 2014	Designated as Business Head (Industrials)
Vivek Chopra	December 31, 2014	Ceased to be Chief Executive (Industrials)
Sunil Pande	January 13, 2015	Designated as Business Head (Services)
Mukesh Aghi	February 28, 2015	Ceased to be Chief Executive (Services)
Angna Arora	May 8, 2015	Ceased to be Company Secretary and Re-designated as Head- Secretarial
Pramod S. Kapoor	May 8, 2015	Appointed as Chief Financial Officer and Company Secretary
Vinay Rajadhyaksha	June 19, 2015	Re- designated as Chief Delivery Officer
Manoj Biswas	July 30, 2015	Appointed as Global HR Head
Pramod S. Kapoor	August 26, 2015	Ceased to be a Chief Financial Officer and Company Secretary
A. K. Sonthalia	August 26, 2015	Appointed as Chief Financial Officer
S. K. Bhatt	August 26, 2015	Appointed as Company Secretary
Chandrashekara Kakal	August 27, 2015	Ceased to be Chief Operating Officer

In addition to the changes in our Key Management Personnel set out above, for details in relation to changes in our Directors who are our Key Management Personnel, see “Our Management- Changes in the Board in the last three years” from pages 162 to 163.

Payment or Benefit to officers of our Company

Except for the payment of remuneration or commission for services rendered by our officers, no amount or

benefit has been paid or given within the two preceding years or intended to be paid or given to any officer and consideration for payment of giving of the benefit.

Our Company has granted options to the employees of our Company. For details, see “Capital Structure” from pages 86 to 92.

Corporate Governance

The provisions of the Equity Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the Equity Listing Agreement with the Stock Exchanges, the Companies Act, 2013 and the SEBI Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the Equity Listing Agreement with Stock Exchanges. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has six Directors. In compliance with the requirements of Clause 49 of the Equity Listing Agreement, we have a Non-Executive Chairman, one Executive Director and four Non-Executive Directors including three Independent Directors, on our Board. Further, in compliance with the Equity Listing Agreement and the Companies Act, 2013, we have a woman director on our Board.

Committees of the Board

In addition to the committees of the Board detailed below, our Board of Directors may, from time to time, constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. M. M. Chitale- (*Chairman*),
2. Samir Desai, and
3. S. N. Subrahmanyam.

The Audit Committee was re-constituted by a meeting of our Board held on August 26, 2015. Our Audit Committee met five times during the preceding Financial Year. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and its terms of reference include the following:

1. Oversight of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;

- c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To establish and review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of the CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board or specified/provided under the Companies Act, 2013 or Listing Agreement or by any other regulatory authority.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Samir Desai- (*Chairman*),
2. A. M. Naik,
3. S. N. Subrahmanyam, and
4. M. M. Chitale.

The Nomination and Remuneration Committee was re-constituted by the Board on August 26, 2015. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of the Nomination and Remuneration Committee include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. To consider and approve Employee Stock Option Schemes and to administer and supervise the same;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or Listing Agreement or by any other regulatory authority.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. S. N. Subrahmanyam- (*Chairman*),
2. Vedika Bhandarkar, and
3. Sanjay Jalona.

The Stakeholders' Relationship Committee was re-constituted by our Board on August 26, 2015. This committee is responsible for the redressal of shareholder grievances.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The terms of reference of the Stakeholders' Relationship Committee of our Company include the following:

1. To redress grievances of shareholders, debenture holders and other security holders;
2. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
4. Non-receipt of declared dividends, balance sheets of the Company or any other documents or information to be sent by the Company to its shareholders; and
5. Carrying out any other function as may be decided by the Board or specified/provided under the Companies Act, 2013 or Listing Agreement or by any other regulatory authority.

Corporate Social Responsibility Committee:

The members of the Corporate Social Responsibility Committee are:

1. S. N. Subrahmanyam- (*Chairman*),
2. Sanjay Jalona, and
3. M. M. Chitale.

The Corporate Social Responsibility Committee was re-constituted by our Board on August 26, 2015. The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013.

The terms and reference of the Corporate Social Responsibility Committee include the following:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 including any amendments thereto;
- b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) To monitor CSR policy of the Company including instituting a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.

Risk Management Committee

The members of the Risk Management Committee are:

1. S. N. Subrahmanyam- (*Chairman*),
2. Sanjay Jalona, and
3. A. K. Sonthalia.

The Risk Management Committee was re-constituted by our Board on August 26, 2015. The Risk Management Committee has been authorised to do all the acts, deeds and things on such terms and conditions as laid before the Board and in such manner as they deem fit. The roles of the Risk Management Committee are the following:

1. Framing, implementing, reviewing and monitoring the risk management plan for the Company;
2. Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;
3. Oversight of the risk management policy/ enterprise risk management framework (identification, impact assessment, monitoring, mitigation & reporting);
4. Review key strategic risks at domestic/international, macro-economic & sectoral level (including market, competition, political & reputational issues);
5. Review significant operational risks; and
6. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or Listing Agreement or statutorily prescribed under any other law or by any other regulatory authority.

IPO Committee

The members of the IPO Committee are:

1. A. M. Naik- (*Chairman*),
2. S. N. Subrahmanyam, and

3. Sanjay Jalona.

The IPO Committee was re-constituted by our Board on August 26, 2015. The terms and reference of the IPO Committee include the following:

- a. To make applications in consultation with the Selling Shareholder, where necessary, to such authorities as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;
- b. To approve and file in consultation with the Selling Shareholder where applicable, the draft red herring prospectus with SEBI, the red herring prospectus and prospectus with the Registrar of Companies and to make necessary amendments or alterations, therein;
- c. To decide along with the Selling Shareholder on the timing, pricing, reservation and discount if any, to any class of investors as allowed under applicable law and all the terms and conditions of the Offer, including the price band, opening and closing of Offer, size of the offer in terms of number of Equity Shares or amount, Offer price, Offer size and to accept any amendments, modifications, variations or alterations thereto;
- d. To appoint and enter into arrangements in consultation with the Selling Shareholder where applicable, with the book running lead managers, underwriters to the Offer, syndicate members to the Offer, advisors to the Offer, brokers to the Offer, stabilising agent, escrow collection bankers to the Offer, refund banks to the Offer, public issue account bankers to the Offer, registrar to the Offer, legal advisors to the Underwriters and to the Company, international legal advisors and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise the terms of their appointment;
- e. To negotiate, finalise, settle and to execute in consultation with the Selling Shareholder where applicable and deliver or arrange the delivery of the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary and final international wraps, offer agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow agreement, agreements with the registrar and the advertising agency and all other documents, deeds, agreements and instruments and any notices, supplements and corrigenda thereto, as may be required or desirable in relation to the Offer;
- f. To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI;
- g. To open and operate bank accounts in terms of the escrow agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013 in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- h. To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under applicable laws and the listing agreement to be entered into by the Company with the relevant stock exchanges;
- i. To issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- j. To do all such acts, deeds, matters and things and execute all such other documents, etc. in consultation with the Selling Shareholder where applicable, deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;
- k. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;
- l. To make applications to such authorities as may be required for the Offer;

- m. To make applications for listing of the equity shares of the Company in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or necessary documentation to the concerned stock exchange(s) and to select the Designated Stock Exchange;
- n. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, in consultation with the Selling Shareholder, where applicable, deem fit and to undertake any action in relation to the Offer as required including withdrawal of the Offer and to delegate such of its powers as may be deemed necessary to the officials of the Company.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

The Promoter of our Company is L&T. Our Promoter currently holds 161,250,000 Equity Shares, equivalent to 100% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company, along with six individuals who hold an aggregate of 60 Equity Shares jointly as nominees of our Promoter.

Our Promoter

Our Promoter was incorporated on February 7, 1946 at Mumbai. The registered office address of our Promoter is located at L&T House, Ballard Estate, Mumbai 400 001. Our Promoter was set up as a partnership in 1938 by two Danish engineers after whom the company is named - Henning Holck-Larsen and Soren Kristian Toubro. The partnership supplied Indian industry with equipment made in Europe and subsequently began manufacture of primary equipment for dairy and other industries. In 1946, the partnership was incorporated as a private limited company, and in 1950, got converted to a public limited company. Our Promoter established a reputation for quality, reliability and customer-orientation, and rapidly expanded its capabilities. It manufactured equipment and executed projects that served critical sectors of the economy - chemical plants, refineries, mining, nuclear, aerospace and infrastructure. In an early phase of expansion beyond its works at Powai, Mumbai, our Promoter set up manufacturing facilities at other locations including Chennai (then Madras), Kanskahal (near Rourkela), Faridabad and Bengaluru (then Bangalore).

Our Promoter entered the business of cement manufacturing in the early 1980s. Setting up a number of cement plants in succession, it emerged within a couple of decades as one of the country's major manufacturers of premium quality cement.

In 1987, our Promoter set up a waterfront facility at Hazira, capable of fabricating over-dimensioned equipment and platforms for the offshore oil industry. Additionally, our Promoter strengthened its manufacturing capability by setting up new facilities, including those at Ahmednagar and Talegaon in Maharashtra, Mysore in Karnataka and Coimbatore in Tamil Nadu. Currently, our Promoter's manufacturing footprint extends across India, the Middle East, South East Asia, Australia and the U.K.

Our Promoter has also taken steps to augment its engineering and design capabilities. In addition to an entire campus - 'Knowledge City' at Vadodara, our Promoter has design facilities and 'Technology Centres' in Faridabad, Mumbai, Bengaluru, Mysore and Chennai. Across the decades, our Promoter's profile and portfolio have changed in line with its strategic vision. It has either discontinued or divested stake in business lines not integral to its core strengths in engineering and construction. Businesses from which it has exited include equipment for the food processing industry, packaging equipment, glass containers, tractors, medical equipment and plastics processing. The cement business was de-merged in 2004.

With an emphasis on scalable businesses, our Promoter has set its sights on business lines which draw on its core strengths. The Hazira facility has been expanded to include manufacture of advanced equipment for supercritical power plants, in collaboration with a Japanese major. Hazira also incorporates a shipyard and a large forge shop, set up in 2012, for the manufacture of nuclear grade steel and heavy forgings for the nuclear and hydrocarbon industry. At Kattupalli near Chennai, our Promoter set up a major shipyard in 2012 and minor port, commissioned in 2013. A facility at Talegaon is dedicated to the manufacture of defence related equipment. Extending its comprehensive capabilities in the power sector, our Promoter set up its own power plant at Rajpura, Punjab, commissioned in 2013.

Selected business verticals have been formed into subsidiary companies in order to create a dedicated structure and achieve sharper focus. In 2013, L&T Hydrocarbon Engineering Limited was formed as a subsidiary company. Other subsidiaries include L&T Valves Limited and L&T Construction Equipment Limited.

Across the decades, change at our Promoter has been in step with continuity. Our Promoter continues to be a company engaged in the core sector of the economy. It is augmenting its presence in infrastructure, defence and technology sectors and sees an expansive role in building of smart cities and communications. Corporate social responsibility and sustainability remain central to its vision, as evidenced in the number of community health centres and skill training centre it has set up. Our Promoter helps in the industry-wide propagation of knowledge through its Leadership Development Academy at Lonavala, Project Management Institute in Vadodara and

Switchgear Training Centres around the country.

Our Promoter does not have any identifiable promoters and is widely held and is a professionally managed company.

There has been no change in control or management of our Promoter in the last three years.

Board of directors of our Promoter

The board of directors of our Promoter as on the date of this Draft Red Herring Prospectus are as set out below:

Sr. No.	Name of the director	Designation
1.	A. M. Naik	Group Executive Chairman
2.	K. Venkataramanan	Chief Executive Officer and Managing Director ⁽¹⁾
3.	S.N. Subrahmanyam	Whole-time Director and Senior Executive Vice President (Infrastructure and Construction) ⁽²⁾
4.	R. Shankar Raman	Whole-time Director and Chief Financial Officer
5.	Shailendra N. Roy	Whole-time Director and Senior Executive Vice President (Power, Minerals and Metals)
6.	D.K. Sen	Whole-time Director ⁽²⁾
7.	Subramanian Sarma	Non-Executive Director
8.	M.M. Chitale	Independent Director
9.	Subodh Bhargava	Independent Director
10.	M. Damodaran	Independent Director
11.	Vikram Singh Mehta	Independent Director
12.	Adil Siraj Zainulbhai	Independent Director
13.	Akhilesh Krishna Gupta	Independent Director
14.	Bahram N. Vakil	Independent Director
15.	Thomas Mathew T.	Independent Director
16.	Ajay Shankar	Independent Director
17.	Sushobhan Sarker	Nominee of Life Insurance Corporation of India
18.	Swapan Dasgupta	Nominee of the Administrator of the Specified Undertaking of the Unit Trust of India
19.	Sunita Sharma	Nominee of Life Insurance Corporation of India

(1) Mr. K. Venkataramanan shall superannuate from the services of our Promoter with effect from September 30, 2015.

(2) Pursuant to the board resolution passed on September 21, 2015, the board of directors of our Promoter approved appointment of both Mr. S.N. Subrahmanyam as the Deputy Managing Director and President; and Mr. D. K. Sen as the Whole-time Director of our Promoter with effect from October 1, 2015.

Shareholding pattern of our Promoter

The shareholding pattern of our Promoter as on June 30, 2015 is as follows:

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised form	Total Shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)	No. of Shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
(A)	Promoter and Promoter Group							
1	Indian							
(a)	Individual / HUF	0	0	0	0.00	0.00	0	0.00
(b)	Central / State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies	0	0	0	0.00	0.00	0	0.00

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised form	Total Shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)	No. of Shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
	Corporate							
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any Others (Specify) – Trust	0	0	0	0.00	0.00	0	0.00
	Sub Total (A)(1):	0	0	0	0.00	0.00	0	0.00
2	Foreign							
(a)	Individual(Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0.00		0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00		0.00
(c)	Institutions	0	0	0	0.00	0.00		0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00		0.00
(e)	Any Others (Specify)	0	0	0	0.00	0.00		0.00
	Sub Total (A)(2):	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1) + (A)(2)	0	0	0	0.00	0.00	0	0.00
(B) Public shareholding								
1	Institutions							
(a)	Mutual Funds / UTI	400	143,456,685	143,442,291	15.80	15.42		
(b)	Financial Institutions / Banks	158	154,510,911	154,477,490	17.02	16.61		
(c)	Central / State Government(s)	4	635,309	635,309	0.07	0.07		
(d)	Venture Capital Funds	0	0	0	0.00	0.00		
(e)	Insurance Companies	5	42,353,526	42,353,526	4.66	4.55		
(f)	Foreign Institutional Investors	676	150,541,056	150,500,988	16.58	16.18		
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00		
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00		
(i)	Others (Specify)	0	0	0	0.00	0.00		
(i-i)	Foreign Portfolio Investors-Corporates	109	26,472,013	26,472,013	2.92	2.85		
(i-ii)	Foreign Bodies	1	39,344	39,344	0.00	0.00		
(i-iii)	Foreign Bank	1	15	15	0.00	0.00		
	Sub Total	1,354	518,008,859	517,920,976	57.05	55.68		

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised form	Total Shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)	No. of Shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
	(B)(1):							
B 2.	Non-Institutions							
(a)	Bodies Corporate	6,244	70,722,673	70,419,412	7.79	7.60		
(b)	Individual							
(i)	Individual Shareholders Holding Nominal Share Capital up to ₹1 lakh	832,784	183,054,370	163,508,154	20.16	19.68		
(ii)	Individual Shareholders Holding Nominal Share Capital in excess of ₹1 lakh	113	13,891,480	13,891,480	1.53	1.49		
(c)	Qualified Foreign Investor							
(d)	Any Others (Specify)							
(d-i)	Directors & Relatives	23	2,512,947	2,510,599	0.28	0.27		
(d-ii)	Foreign Companies	5	3,432	0	0.00	0.00		
(d-iii)	Foreign Nationals	12	385,608	364,782	0.04	0.04		
(d-iv)	Foreign Portfolio Investors – Individuals	1	168	168	0.00	0.00		
(d-v)	Non-Residents	18,077	7,874,723	7,430,543	0.87	0.85		
(d-vi)	Trust	3	111,606,174	111,588,408	12.29	12.00		
	Sub Total (B)(2):	857,262	390,051,575	369,713,546	42.95	41.93		
	Total Public Shareholding (B)=(B)(1) + (B)(2)	858,616	908,060,434	887,634,522	100	97.61		
	Total (A) + (B)	858,616	908,060,434	887,634,522	100	97.61		
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
1	Promoter and Promoter Group	0	0	0	0	0.00		0.00
2	Public	1	22,238,565	22,238,565		2.39		
	Total (C)	1	22,238,565	22,238,565		2.39	0	
	Grand Total (A)+(B)+(C)	858,617	930,298,999	909,873,087		100.00	0	0.00

Our Company confirms that the PAN, bank account numbers, the company registration number and address of the registrar of companies, where our Promoter is registered shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Interest of our Promoter

Our Promoter is interested in our Company to the extent it has promoted our Company and to the extent of its shareholding and the dividends payable if any and certain services provided in the ordinary course of business, including licensing of “L&T” trademark pursuant to the Trademark Licensing Agreement and human resources’ services and shared services in respect of employees’ pay roll. For details regarding the shareholding of our Promoter in our Company, see “Capital Structure” from pages 82 to 84.

Our Promoter has entered into agreements with our Company to lease office space in respect of properties situated at Chennai, Bengaluru and Powai. Our Promoter receives rent from our Company in respect of these properties on an arm’s length basis. Our Promoter has no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Draft Red Herring Prospectus, or in any transactions by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoter recovers from our Company the remuneration paid to the deputed Key Management Personnel.

Except as stated in this Draft Red Herring Prospectus, our Company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoter is directly or indirectly interested and no payments have been made to our Promoter in respect of the contracts, agreements or arrangements which are proposed to be made with it other than in ordinary course of business. For further details of related party transactions, as per Accounting Standard 18, see “Related Party Transactions” on page 192.

Except for LTTSL, our Promoter does not have any interest in any venture that is involved in any activities similar to those conducted by our Company. LTTSL, a wholly owned subsidiary of our Promoter is involved in the IT services and products business. LTTSL is involved in the business of engineering services. Specific services LTTSL offer include mechanical engineering, embedded systems, engineering process services and product lifecycle management, as well as proprietary solutions in engineering data analytics, power electronics, machine-to-machine and the IoT.

For details of related party transactions entered into by our Company with its Subsidiaries, as per Accounting Standard 18, during the last five Financial Years, the nature of transactions and the cumulative value of transactions, see “Related Party Transactions” on page 192

Except as disclosed in “Related Party Transactions” on page 192, our Promoter is not related to any sundry debtors of our Company.

Payment or Benefits to our Promoter

Except as stated otherwise in “Related Party Transactions” which provides the related party transactions, as per Accounting Standard 18, entered into during the last five Financial Years and in “Our Promoter and Promoter Group- Interests of our Promoter” on pages 192 and 176, respectively, there has been no payment or benefit to our Promoter or Promoter Group during the two years prior preceding filing of the Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

Confirmations

Our Promoter has not been declared as wilful defaulter by the RBI or any other government authority.

SEBI has issued notices to our Promoter and one of our Directors, A. M. Naik, in relation to alleged violation of the SEBI Act and the SEBI Insider Trading Regulations for delay in reporting obligations in connection with certain trades in shares of our Promoter. For further details, see “Outstanding Litigation and Material Developments- Litigation involving our Directors- Litigation against our Directors” on page 339. Except as disclosed herein, there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against it.

Our Promoter and Promoter Group entities have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or

statutory authority during the last five years preceding the date of the Draft Red Herring Prospectus against our Promoter, except as disclosed under “Outstanding Litigation and Material Developments” from pages 322 to 327.

Our Promoter is not and has never been a promoter, director or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Companies with which our Promoter has disassociated in the last three years

Except as provided below, our Promoter has not disassociated itself from any of the companies during the preceding three years:

Sr. No.	Name of the disassociated entity	Reasons and circumstances leading to the disassociation and terms of disassociation	Date of disassociation
1.	L&T Plastics Machinery Limited	Sale of shares	September 28, 2012
2.	L&T Commercial Projects Private Limited	Sale of shares	November 26, 2012
3.	AIC Structural Steel Construction (India) Private Limited	Sale of shares	May 27, 2013
4.	L&T Chennai Projects Private Limited	Sale of shares	October 3, 2013
5.	L&T Bangalore Airport Hotel Limited	Sale of shares	January 24, 2014
6.	L&T Tech Park Limited	Sale of shares	May 22, 2014
7.	L&T Tejomaya Limited	Sale of shares	May 22, 2014
8.	The Dhamra Port Company Limited	Sale of shares	June 23, 2014
9.	NAC Infrastructure Equipment Limited	Sale of shares	August 1, 2014

Promoter Group

Persons and entities constituting the Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations.

GROUP COMPANIES

Our Board has approved that other than companies which constitute part of the related parties of our Company in accordance with the applicable accounting standards (Accounting Standard 18) as per the restated consolidated financial statements of our Company in the last five financial years, there are no material group companies of our Company. Accordingly, we have set out below the details of our Group Companies which have also been disclosed in this Draft Red Herring Prospectus in “Financial Statements” from pages 285 to 286. Our Board has also approved that other than the companies disclosed below, there are no other material group companies of our Company.

1. L&T BPP Tollway Limited;
2. L&T Construction Equipment Limited;
3. L&T Cutting Tools Limited;
4. L&T Devihalli Hassan Tollway Limited;
5. L&T Electrical & Automation FZE;
6. L&T Electrical & Automation Saudi Arabia Company Limited LLC;
7. L&T Finance Limited;
8. L&T General Insurance Company Limited;
9. L&T Howden Private Limited;
10. L&T Hydrocarbon Engineering Limited;
11. L&T Infrastructure Development Projects Limited;
12. L&T Infrastructure Finance Company Limited;
13. L&T Investment Management Limited;
14. L&T Kobelco Machinery Private Limited;
15. L&T Metro Rail (Hyderabad) Limited;
16. L&T Modular Fabrication Yard LLC;
17. L&T Power Development Limited;
18. L&T Power Limited;
19. L&T Realty Limited;
20. L&T Sapura Shipping Private Limited;
21. L&T Seawoods Limited;
22. L&T Technology Services Limited;
23. L&T Valves Limited;
24. L&T-MHPS Boilers Private Limited;
25. L&T-MHPS Turbine Generators Private Limited;
26. L&T-Sargent & Lundy Limited;
27. L&T-Valdel Engineering Limited;
28. Larsen & Toubro (East Asia) SDN. BHD;
29. Larsen & Toubro ATCO Saudi LLC;
30. Larsen & Toubro Electromech LLC;
31. Larsen & Toubro Heavy Engineering LLC;
32. Larsen & Toubro Hydrocarbon International Limited LLC;
33. Larsen & Toubro Kuwait Construction General Contracting Company, With Limited Liability;
34. Larsen & Toubro LLC;
35. Larsen and Toubro Saudi Arabia LLC;
36. Nabha Power Limited; and
37. TAMCO Switchgear (Malaysia) SDN. BHD.

A. Details of the five largest Group Companies (based on turnover):

1. L&T Hydrocarbon Engineering Limited

Corporate Information

L&T Hydrocarbon Engineering Limited (“L&T HEL”) was incorporated on April 2, 2009 under the

Companies Act, 1956 at Mumbai. L&T HEL is involved in the business of designing, building, operating and maintaining engineering, procurement and construction of projects and products on a turnkey basis.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T HEL.

Financial Information

The operating results of L&T HEL for the last three Financial Years are as follows:

Particulars	For the year ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital (including share application money)	10,000.50	10,000.50	0.50
Reserves (excluding revaluation reserves) and surplus	(6,122.30)	(194.10)	(0.07)
Income including other income	57,407.00	87,167.90	-
Profit / (Loss) after tax	(6,541.20)	1,057.30	(0.01)
Basic EPS (in ₹)	(6.54)	0.97	(0.24)
Diluted EPS (in ₹)	(6.54)	0.97	(0.24)
Net asset value per share (in ₹)	3.88	9.81	8.60

2. Nabha Power Limited

Corporate Information

Nabha Power Limited (“Nabha Power”) was incorporated on April 9, 2007 under the Companies Act, 1956 at Chandigarh. Nabha Power is involved in the business of construction, operation and maintenance of electricity system and acting as consultant and technical advisors of public and private sector enterprise.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary L&T Power Development Limited, holds 100% of the total issued and paid up equity share capital of Nabha Power.

Financial Information

The operating results of Nabha Power for the last three Financial Years are as follows:

Particulars	For the year ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital (including share application money)	26,880.00	23,250.00	13,730.00
Reserves (excluding revaluation reserves) and surplus	750.84	(1,153.43)	(922.70)
Income including other income	31,799.39	28,372.54	32,647.92
Profit / (Loss) after tax	1,904.28	(230.73)	(970.78)
Basic EPS (in ₹)	0.82	(0.15)	(0.97)
Diluted EPS (in ₹)	0.74	(0.13)	(0.94)
Net asset value per share (in ₹)	11.88	9.50	11.17

3. L&T Technology Services Limited

Corporate Information

L&T Technology Services Limited (“LTTSL”) was incorporated on June 14, 2012 under the Companies Act, 1956 at Mumbai. LTTSL is involved in the business of engineering services.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of LTTSL.

Financial Information

The operating results of LTTSL for the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the year ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital (including advance towards equity commitment)	3,000.00	1,027.20	0.50
Reserves (excluding revaluation reserves) and surplus	67.43	(178.16)	(0.03)
Income including other income	25,856.22	1,222.01	-
Profit / (Loss) after tax	3,151.77	62.14	(0.03)
Basic EPS (in ₹)	11.88	0.21	(0.74)
Diluted EPS (in ₹)	11.88	0.21	(0.74)
Net asset value per share (in ₹)	35.22	47.31	9.41

4. L&T Finance Limited

Corporate Information

L&T Finance Limited (“L&T Finance”) was incorporated on November 22, 1994 under the Companies Act, 1956 at Mumbai. L&T Finance is an NBFC – asset finance company providing entire gamut of retail financing.

Interest of our Promoter

Our Promoter, through its subsidiary L&T Finance Holdings Limited, holds 100% of the total issued and paid up equity share capital of L&T Finance.

Financial Information

The operating results of L&T Finance for the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the year ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital (including share application money)	2,384.22	2,384.22	2,384.22
Reserves (excluding revaluation reserves) and surplus	20,533.11	19,546.12	18,704.69
Income including other income	23,964.31	22,455.09	20,680.65
Profit / (Loss) after tax	2,556.05	2,012.27	2,110.29
Basic EPS (in ₹)	10.72	8.44	8.85
Diluted EPS (in ₹)	10.72	8.44	8.85
Net asset value per share (in ₹)	96.12	91.98	88.45

5. L&T Infrastructure Finance Company Limited

Corporate Information

L&T Infrastructure Finance Company Limited (“L&T IFCL”) was incorporated on April 18, 2006 under the Companies Act, 1956 at Chennai. L&T IFCL is an NBFC- infrastructure finance company providing entire gamut of infra and wholesale financing.

Interest of our Promoter

Our Promoter, through its subsidiary L&T Finance Holdings Limited, holds 100% of the total issued and paid up equity share capital of L&T IFCL.

Financial Information

The operating results of L&T IFCL for the last three Financial Years are as follows:

Particulars	(in ₹ million, except per share data) For the year ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital (including advance towards equity commitment)	8,292.33	8,292.33	8,292.33
Reserves (excluding revaluation reserves) and surplus	17,182.53	16,395.29	14,735.57
Income including other income	21,173.10	18,699.60	15,997.78
Profit / (Loss) after tax	2,254.67	2,921.30	3,442.14
Basic EPS (in ₹)	2.72	3.52	4.28
Diluted EPS (in ₹)	2.72	3.52	4.28
Net asset value per share (in ₹)	30.72	29.77	27.77

B. Details of Group Companies with negative net worth

1. Larsen & Toubro ATCO Saudi LLC

Corporate Information

Larsen & Toubro ATCO Saudi LLC (“L&T ATCO LLC”) was incorporated on July 8, 2007 in Saudi Arabia. L&T ATCO LLC is involved in the business of undertaking general contracting works including electromechanical construction and civil works in project of oil and gas.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary L&T International FZE, holds 75% interest in L&T ATCO LLC.

Financial Information

The operating results of L&T ATCO LLC for the last three financial years (being calendar years) are as follows:

Particulars	(in ₹ million, except per share data) For the year ended		
	December 31, 2014	December 31, 2013	December 31, 2012
Equity Capital (including share application money)*	11.78	11.78	10.82
Reserves (excluding revaluation reserves) and surplus	(2,018.85)	(66.98)	(31.45)
Income including other income	8,979.09	5,412.78	1,159.59
Profit / (Loss) after tax	(1,994.55)	(32.45)	29.68

Basic EPS (in ₹)	(1,994,548.76)	(32,446.00)	29,684.31
Diluted EPS (in ₹)	(1,994,548.76)	(32,446.00)	29,684.31
Net asset value per share (in ₹)	(2,007,068.82)	(55,194.83)	(20,635.58)

*The minority stake changed during the year 2012-13 and hence the additional capital acquired from minority is reflected at the rate on the date of acquisition.

2. Larsen and Toubro Saudi Arabia LLC

Corporate Information

Larsen & Toubro Saudi Arabia LLC (“L&T Saudi Arabia LLC”) was incorporated on June 22, 1999 in Saudi Arabia. L&T Saudi Arabia LLC is involved in the business of offering turnkey solutions in civil, mechanical and electrical engineering for petrochemicals, infrastructure, buildings, factories, power transmission and distribution and telecommunication projects.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiaries L&T International FZE and L&T Cutting Tools Limited, holds 95% and 5% interest, respectively in L&T Saudi Arabia LLC.

Financial Information

The operating results of L&T Saudi Arabia LLC for the last three financial years (being calendar years) are as follows:

Particulars	(in ₹ million, except per share data) For the year ended		
	December 31, 2014	December 31, 2013	December 31, 2012
Equity Capital (including advance against share capital)*	186.43	186.43	46.35
Reserves (excluding revaluation reserves) and surplus	(1,498.69)	(1,290.69)	(646.63)
Income including other income	4,169.27	2,292.31	6,479.36
Profit / (Loss) after tax	(568.13)	(397.42)	(192.05)
Basic EPS (in ₹)	(142,031.32)	(99,354.85)	(48,011.96)
Diluted EPS (in ₹)	(142,031.32)	(99,354.85)	(48,011.96)
Net asset value per share (in ₹)	(328,064.74)	(276,065.11)	(150,069.06)

*The increase in share capital is due to advance against share capital.

3. Larsen & Toubro Electromech LLC

Corporate Information

Larsen & Toubro Electromech LLC (“L&T Electromech LLC”) was incorporated on November 17, 1976 in Oman. L&T Electromech LLC is involved in the business of engaging in the hydrocarbon and power sector through civil, mechanical, electrical and instrumentation works for oil and gas, refinery, petrochemicals and chemicals, pipelines and gas based power projects.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary L&T International FZE, holds 65% interest in L&T Electromech LLC.

Financial Information

The operating results of L&T Electromech LLC for the last three financial years (being calendar years) are as follows:

(in ₹ million, except per share data)

Particulars	For the year ended		
	December 31, 2014	December 31, 2013	December 31, 2012
Equity Capital (including advance against share capital)	35.56	35.56	35.56
Reserves (excluding revaluation reserves) and surplus	(738.76)	1,082.53	1,604.66
Income including other income	6,070.10	7,889.48	5,963.14
Profit / (Loss) after tax	(1,788.42)	(683.33)	305.89
Basic EPS (in ₹)	(5,961.41)	(2,277.75)	1,019.64
Diluted EPS (in ₹)	(5,961.41)	(2,277.75)	1,019.64
Net asset value per share (in ₹)	(2,344.01)	3,726.96	5,467.39

4. L&T Modular Fabrication Yard LLC

Corporate Information

L&T Modular Fabrication Yard LLC (“L&T MFY LLC”) was incorporated on July 5, 2006 in Oman. L&T MFY LLC is involved in the business of fabricating jackets and decks, floating production storage and offloading systems rigs and any other offshore structure inputs.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary L&T International FZE, holds 65% interest in L&T MFY LLC.

Financial Information

The operating results of L&T MFY LLC for the last three financial years (being calendar years) are as follows:

(in ₹ million, except per share data)

Particulars	For the year ended		
	December 31, 2014	December 31, 2013	December 31, 2012
Equity Capital (including advance against share capital)	327.49	327.49	327.49
Reserves (excluding revaluation reserves) and surplus	(975.53)	270.12	706.86
Income including other income	853.21	3,490.04	4,837.30
Profit / (Loss) after tax	(1,248.44)	(534.99)	171.22
Basic EPS (in ₹)	(432.79)	(185.46)	59.36
Diluted EPS (in ₹)	(432.79)	(185.46)	59.36
Net asset value per share (in ₹)	(224.65)	207.17	358.57

5. Larsen & Toubro Heavy Engineering LLC

Corporate Information

Larsen & Toubro Heavy Engineering LLC (“L&T HE LLC”) was incorporated on April 7, 2008 in Oman. L&T HE LLC is involved in the business of manufacture of heavy engineering goods.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary L&T International FZE, holds 70% interest in L&T HE LLC.

Financial Information

The operating results of L&T HE LLC for the last three financial years (being calendar years) are as follows:

(in ₹ million, except per share data)

Particulars	For the year ended		
	December 31, 2014	December 31, 2013	December 31, 2012
Equity Capital (including advance against share capital)	684.85	684.85	684.85
Reserves (excluding revaluation reserves) and surplus	(831.07)	(1,195.44)	(1,109.55)
Income including other income	3,395.07	1,988.71	1,511.93
Profit / (Loss) after tax	316.24	(31.54)	(267.01)
Basic EPS (in ₹)	55.82	(5.57)	(58.15)
Diluted EPS (in ₹)	55.82	(5.57)	(58.15)
Net asset value per share (in ₹)	(25.81)	(90.13)	(74.97)

6. Larsen & Toubro Hydrocarbon International Limited LLC

Corporate Information

Larsen & Toubro Hydrocarbon International Limited LLC (“L&T HIL”) was incorporated on June 17, 2013 at Saudi Arabia. L&T HIL is involved in the business of maintaining and operating oil and gas plants.

Interest of our Promoter

Our Promoter directly holds 90% of the total issued and paid up equity share capital of L&T HIL and through its wholly owned subsidiary, L&T International FZE, holds 10% of the total issued and paid up equity share capital of L&T HIL.

Financial Information

The operating results of L&T HIL for the last two financial years (being calendar years) are as follows:

(in ₹ million, except per share data)

Particulars	For the year ended*	
	December 31, 2014	December 31, 2013
Equity Capital (including advance against share capital)	7.58	7.58
Reserves (excluding revaluation reserves) and surplus	(13.04)	(9.88)
Income including other income	17.60	-
Profit / (Loss) after tax	(3.03)	(9.99)
Basic EPS (in ₹)	(6,056.23)	(19,975.00)
Diluted EPS (in ₹)	(6,056.23)	(19,975.00)
Net asset value per share (in ₹)	(10,914.59)	(4,608.29)

*L&T HIL was incorporated in 2013.

C. Details of other Group Companies

1. L&T BPP Tollway Limited

Corporate Information

L&T BPP Tollway Limited (“L&T BTL”) was incorporated on May 25, 2011 under the Companies Act, 1956 at Chennai. L&T BTL is involved in the business of construction of roads.

Interest of our Promoter

Our Promoter, through its subsidiary L&T IDPL, holds 100% of the total issued and paid up equity share capital of L&T BTL.

2. L&T Construction Equipment Limited

Corporate Information

L&T Construction Equipment Limited (“L&T CEL”) was incorporated on July 29, 1997 under the Companies Act, 1956 at Mumbai. L&T CEL is involved in the business of manufacturing hydraulic excavators and high pressure hydraulic systems and components.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T CEL.

3. L&T Cutting Tools Limited

Corporate Information

L&T Cutting Tools Limited (“L&T CTL”) was incorporated on September 18, 1952 under the Companies Act, 1913 at Mumbai. L&T CTL is involved in the business of trading industrial cutting tools.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T CTL.

4. L&T Devihalli Hassan Tollway Limited

Corporate Information

L&T Devihalli Hassan Tollway Limited (“L&T DHTL”) was incorporated on April 27, 2010 under the Companies Act, 1956 at Chennai. L&T DHTL is involved in the business of construction of roads on design build finance operate transfer basis.

Interest of our Promoter

Our Promoter, through its subsidiary L&T IDPL, holds 100% of the total issued and paid up equity share capital of L&T DHTL.

5. L&T Electrical & Automation FZE

Corporate Information

L&T Electrical & Automation FZE (“L&T FZE”) was incorporated on April 7, 2008 at Dubai, UAE. L&T FZE is involved in the business of manufacture of control and automation components.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary L&T International FZE, holds 100% of the total issued and paid up equity share capital of L&T FZE.

6. L&T Electrical & Automation Saudi Arabia Company Limited LLC

Corporate Information

L&T Electrical & Automation Saudi Arabia Company LLC (“L&T EA LLC”) was incorporated on August 22, 2006 at Saudi Arabia. L&T EA LLC is involved in the business of manufacturing switchboards and related solutions in Saudi Arabia.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary, L&T International FZE, holds 75% of interest in L&T EA LLC and through Tamco Switchgear, one of our Group Companies, holds 25% of interest in L&T EA LLC. The acquisition by Tamco Switchgear in L&T EA LLC is in the process of getting registered with the statutory authorities under applicable laws at Saudi Arabia. For details of our Promoter's interest in Tamco Switchgear, see "Our Group Companies- Details of other Group Companies - TAMCO Switchgear (Malaysia) SDN. BHD" on page 189.

7. L&T General Insurance Company Limited

Corporate Information

L&T General Insurance Company Limited ("L&T GICL") was incorporated on December 27, 2007 under the Companies Act, 1956 at Mumbai. L&T GICL is involved in the business of general insurance.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T GICL.

8. L&T Infrastructure Development Projects Limited

Corporate Information

L&T IDPL was incorporated on February 26, 2001 under the Companies Act, 1956 at Chennai. L&T IDPL is involved in the business of infrastructure development.

Interest of our Promoter

Our Promoter holds 97.45% of the total issued and paid up equity share capital of L&T IDPL.

9. L&T Howden Private Limited

Corporate Information

L&T Howden Private Limited ("L&T HPL") was incorporated on June 17, 2010 under the Companies Act, 1956 at Mumbai. L&T HPL is involved in the business of designing, engineering, manufacturing, marketing, selling, and supplying rotary air pre-heaters (excluding for the avoidance of any doubt rotary gas pre-heaters) and variable pitch axial fans.

Interest of our Promoter

Our Promoter holds 50.1% of the total issued and paid up equity share capital of L&T HPL.

10. L&T Investment Management Limited

Corporate Information

L&T Investment Management Limited ("L&T IML") was incorporated on April 25, 1996 under the Companies Act, 1956 at Mumbai. L&T IML is an asset management company to L&T Mutual Fund, registered with SEBI, and is also involved in the business of portfolio management services.

Interest of our Promoter

Our Promoter, through its subsidiary, L&T Finance Holdings Limited, holds 100 % of the total paid up equity share capital of L&T IML.

11. L&T Kobelco Machinery Private Limited

Corporate Information

L&T Kobelco Machinery Private Limited ("L&T KMPL") was incorporated on November 25, 2010

under the Companies Act, 1956 at Mumbai. L&T KMPL is involved in the business of designing, engineering, manufacturing, import, export, marketing, sales, distribution and after sales service of rubber processing machinery and spares.

Interest of our Promoter

Our Promoter holds 51% of the total issued and paid up equity share capital of L&T KMPL.

12. L&T Metro Rail (Hyderabad) Limited

Corporate Information

L&T Metro Rail (Hyderabad) Limited (“L&T MRHL”) was incorporated on August 24, 2010 under the Companies Act, 1956 at Hyderabad. L&T MRHL is involved in the business of designing, building, financing, operating and transferring the Hyderabad metro rail project together with the development of transit oriented development activities.

Interest of our Promoter

Our Promoter directly holds 1% of the total issued and paid up equity share capital of L&T MRHL and through its subsidiary, L&T IDPL, holds 99% of the total issued and paid up equity share capital of L&T MRHL.

13. L&T Power Development Limited

Corporate Information

L&T Power Development Limited (“L&T PDL”) was incorporated on September 12, 2007 under the Companies Act, 1956 at Mumbai. L&T PDL is involved in the business of developing, acquiring, operating power generation projects of all types.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T PDL.

14. L&T Power Limited

Corporate Information

L&T Power Limited (“L&T Power”) was incorporated on March 9, 2006 under the Companies Act, 1956 at Mumbai. L&T Power is involved in the business of execution of power projects and laying down thermal power plants and stations.

Interest of our Promoter

Our Promoter holds 99.99% of the total issued and paid up equity share capital of L&T Power.

15. L&T Realty Limited

Corporate Information

L&T Realty Limited (“L&T Realty”) was incorporated on November 30, 2007 under the Companies Act, 1956 at Mumbai. L&T Realty is involved in the business of the development of real estate.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T Realty.

16. L&T Seawoods Limited

Corporate Information

L&T Seawoods Limited (“L&T Seawoods”) was incorporated on March 13, 2008 under the Companies Act, 1956 at Mumbai. L&T Seawoods is involved in the business of developing the Seawoods – Darave railway station at Navi Mumbai and the integrated commercial complex.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T Seawoods.

17. L&T-Sargent & Lundy Limited

Corporate Information

L&T-Sargent & Lundy Limited (“L&T SLL”) was incorporated on May 5, 1995 under the Companies Act, 1956 at Mumbai. L&T SLL is involved in the business of engineering services.

Interest of our Promoter

Our Promoter holds 50.01% of the total issued and paid up equity share capital of L&T SLL.

18. L&T-Valdel Engineering Limited

Corporate Information

L&T-Valdel Engineering Limited (“L&T Valdel”) was incorporated on November 25, 2004 under the Companies Act, 1956 at Bangalore. L&T Valdel is involved in the business of engineering consultancy.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T Valdel.

19. L&T Valves Limited

Corporate Information

L&T Valves Limited (“L&T Valves”) was incorporated on November 23, 1961 under the Companies Act, 1956 at Mumbai. L&T Valves is involved in the business of manufacturing industrial valves, safety systems and equipment and pneumatic actuators and accessories.

Interest of our Promoter

Our Promoter holds 100% of the total issued and paid up equity share capital of L&T Valves.

20. Larsen & Toubro (East Asia) SDN. BHD

Corporate Information

Larsen & Toubro (East Asia) SDN. BHD (“L&T East Asia”) was incorporated on June 13, 1996 in Malaysia. L&T East Asia is involved in the business of engineering and construction activities.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary, L&T International FZE, holds 30% of the total issued and paid up equity share capital and 100% of the total voting power of L&T East Asia.

21. Larsen & Toubro Kuwait Construction General Contracting Company, With Limited Liability

Corporate Information

Larsen & Toubro Kuwait Construction General Contracting Company, With Limited Liability (“L&T Kuwait”) was incorporated on November 29, 2006 in Kuwait. L&T Kuwait is involved in the business of construction projects in oil and gas, power and infrastructure with primary focus on electro-mechanical construction.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary, L&T International FZE, holds 49% of the total issued and paid up equity share capital and 75% of the total voting power of L&T Kuwait.

22. Larsen & Toubro LLC

Corporate Information

Larsen & Toubro LLC (“L&T LLC”) was incorporated on January 2, 2001 in the USA. L&T LLC is involved in the business of being a trading company.

Interest of our Promoter

Our Promoter directly holds 95% of interest in L&T LLC and through its wholly owned subsidiary, L&T CTL, holds 5% of interest in L&T LLC.

23. TAMCO Switchgear (Malaysia) SDN. BHD

Corporate Information

TAMCO Switchgear (Malaysia) SDN. BHD (“Tamco Switchgear”) was incorporated on May 29, 2007 in Malaysia. Tamco Switchgear is involved in the business of manufacturing of switchgear components.

Interest of our Promoter

Our Promoter, through its wholly owned subsidiary, L&T International FZE, holds 100% of the total issued and paid up equity share capital of Tamco Switchgear.

24. L&T-MHPS Turbine Generators Private Limited

Corporate Information

L&T-MHPS Turbine Generators Private Limited (“L&T MTGPL”) was incorporated on December 27, 2006 under the Companies Act, 1956 at Mumbai. L&T MTGPL is involved in the business of designing, engineering, manufacturing and selling super critical steam turbines and generators.

Interest of our Promoter

Our Promoter holds 51% of the total issued and paid up equity share capital of L&T MTGPL.

25. L&T-MHPS Boilers Private Limited

Corporate Information

L&T-MHPS Boilers Private Limited (“L&T MHPS”) was incorporated on October 9, 2006 under the Companies Act, 1956 at Mumbai. L&T MHPS is involved in the business of design and engineering of subcritical/supercritical once through boilers and pulverizers in India.

Interest of our Promoter

Our Promoter holds 51% of the total issued and paid up equity share capital of L&T MHPS.

26. L&T Sapura Shipping Private Limited

Corporate Information

L&T Sapura Shipping Private Limited (“L&T SSPL”) was incorporated on September 2, 2010 under the Companies Act, 1956 at Chennai. L&T SSPL is involved in the business of owning, purchasing, holding, hiring, chartering, contracting for, acquiring, selling, taking in exchange, letting or otherwise operating, engaging, managing, trading in or with ships.

Interest of our Promoter

Our Promoter holds 60% of the total issued and paid up equity share capital of L&T SSPL.

Nature and Extent of Interest of Group Companies

- **In the promotion of our Company**

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company.

- **In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Draft Red Herring Prospectus with SEBI**

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus.

- **In transactions for acquisition of land, construction of building and supply of machinery**

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery involving our Company.

Interest of our Promoter in the Group Companies

Other than as disclosed in “Group Companies” beginning on page 178, our Promoter has certain transactions with the Group Companies in the ordinary course of business which are typically in the nature of *inter alia* purchase or sale of goods, sale of fixed assets, inter-corporate deposits, services rendered, software development, rent or commission or interest received or paid and issue of corporate and performance guarantees.

Common Pursuits among the Group Companies with our Company

Other than as disclosed in “Promoter and Promoter Group- Interest of our Promoter” and “Risk Factors” on pages 176 and 37, respectively, there are no common pursuits between any of our Group Companies and our Company.

Related Business Transactions within the Group Companies and significance on the financial performance of our Company

Other than as disclosed in “Related Party Transactions” on page 192, there are no related business transactions within the Group Companies and significance on the financial performance of our Company.

Significant Sale/Purchase between Group Companies and our Company

Other than as disclosed in “Financial Statements” beginning on page 194, none of our Group Companies are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Business Interest of Group Companies

Other than as disclosed in “Our Business” and “Related Party Transactions” beginning on pages 119 and 192 respectively, none of our Group Companies have any business interest in our Company.

Defunct Group Companies

There are no Group Companies whose name have been struck off by the registrar of companies, during the last five years preceding the date of the Draft Red Herring Prospectus.

Loss Making Group Companies

The following tables set forth the details of our Group Companies which have incurred loss in the last Financial Year and provides details of profit/(loss) made by them in the last three Financial Years, on the basis of latest audited financial statements available:

Sr. No.	Name of Group Company	Profit/(Loss) after tax ₹ million		
		March 31, 2015	March 31, 2014	March 31, 2013
1.	L&T Hydrocarbon Engineering Limited	(6,541.20)	1,057.30	(0.01)
2.	L&T - MHPS Turbine Generators Private Limited	(1,324.55)	(855.11)	(894.66)
3.	L&T General Insurance Company Limited	(941.70)	(1,001.80)	(932.80)
4.	L&T Investment Management Limited	(648.75)	(699.20)	(584.92)
5.	L&T Devihalli Hassan Tollway Limited	(148.02)	(29.86)	15.61
6.	L&T Metro Rail (Hyderabad) Limited	(141.07)	(2.23)	12.86
7.	L&T Realty Limited	(14.87)	(582.33)	(1,404.58)
8.	L&T Seawoods Limited	(14.11)	54.29	6.24
9.	L&T BPP Tollway Limited	(0.97)	(20.61)	(2.12)
10.	Larsen & Toubro ATCO Saudi LLC ⁽¹⁾	(1,994.55)	(32.45)	29.68
11.	Larsen & Toubro Electromech LLC ⁽¹⁾	(1,788.42)	(683.33)	305.89
12.	L&T Modular Fabrication Yard LLC ⁽¹⁾	(1,248.44)	(534.99)	171.22
13.	Larsen & Toubro Kuwait Construction General Contracting Company, WLL ⁽¹⁾	(370.17)	13.99	66.20
14.	Larsen & Toubro (East Asia) SDN. BHD ⁽¹⁾	(7.96)	2.00	0.40
15.	Larsen & Toubro Hydrocarbon International Limited LLC ⁽¹⁾⁽²⁾	(3.03)	(9.99)	-
16.	Larsen & Toubro Saudi Arabia LLC ⁽¹⁾	(568.13)	(397.42)	(192.05)

(1) The three years are the calendar years 2014, 2013 and 2012.

(2) The company was incorporated in 2013.

None of our Group Companies have their equity shares listed on any stock exchanges and none of our Group Companies have made any public or rights issue of securities in the preceding three years. The following Group Companies have issued debt securities which are listed on the stock exchanges:

- L&T Infrastructure Finance Company Limited;
- L&T Finance Limited;
- L&T Infrastructure Development Projects Limited;
- L&T Metro Rail (Hyderabad) Limited; and
- Nabha Power Limited.

See “Other Regulatory and Statutory Disclosures” beginning on page 342.

None of the Group Companies have been debarred from accessing the capital market for any reasons by SEBI or any other authorities.

None of our Group Companies fall under the definition of sick companies under SICA and none of them is under winding up.

None of the Group Companies have been identified as wilful defaulters by the RBI or other authorities.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five Financial Years, as per the requirements under Accounting Standard 18 “Related Party Disclosures”, see “Financial Statements– Annexure XXII- Restated Unconsolidated Statement of Related Parties- Annexure ” and “Financial Statements– Annexure XII- Restated Consolidated Statement of Related Parties” from pages 233 to 237 and 285 to 288, respectively.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position of our Company. Our Company has no formal dividend policy. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. The details of dividend paid by our Company in the last five Financial Years are given below:

	2015	2014	2013	2012	2011
No. of equity shares of face value of ₹ 5 each	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Dividend per share (in ₹)*	149.00	171.00	94.00	79.00	47.00
Rate of dividend (%)	2,980	3,420	1,880	1,580	940
Total Dividend (in ₹ million)**	5,711.57	6,451.98	3,527.67	2,961.07	1,767.51

*Dividend was paid by way of interim dividends during the Financial Year.

**This includes dividend distribution tax.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

The Board of Directors
Larsen & Toubro Infotech Limited
L&T House
Ballard Estate
Mumbai 400 001

Dear Sirs,

1. We have examined the restated unconsolidated summary statement of assets and liabilities of Larsen & Toubro Infotech Limited ('the Company') as at 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 and also the restated unconsolidated summary statement of profits and losses and restated unconsolidated summary statement of cash flows for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, together with the notes and annexures thereto (collectively 'the restated unconsolidated summary statements') annexed to this report for the purpose of inclusion in the offer document to be issued by the Company in connection with the proposed Initial Public Offering ('IPO') of its equity shares.
2. The restated unconsolidated summary statements are prepared by management of the Company from the audited financial statements of the respective years, in accordance with the requirements of section 26 of the Companies Act, 2013 ('the Act') read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 ('the Rules') and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ('the Regulations'), and have been approved by the Company's board of directors on 27 July 2015.
3. We have examined the restated unconsolidated summary statements in accordance with:
 - (a) the terms of reference vide our engagement letter dated 15 July 2015 to carry out work on such financial information included in the offer document of the Company in connection with its IPO; and
 - (b) the Guidance Notes on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India.
4. On the basis of our examination we are of the opinion that:
 - (a) the restated unconsolidated summary statement of assets and liabilities as at 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 (Annexure I), read together with notes on material adjustments (Annexure IV A) and with the related significant accounting policies (Annexure IV B) and other notes on accounts (Annexure IV C), are on the basis of the financial statements audited by us for the respective years after making such adjustments as are required by the Regulations;
 - (b) the restated unconsolidated summary statement of profits and losses for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 (Annexure II), read together with the notes on material adjustments (Annexure IV A) and with the related significant accounting policies (Annexure IV B) and other notes on accounts (Annexure IV C), are on the basis of the financial statements audited by us for the respective years after making such adjustments as are required by the Regulations;
 - (c) the restated unconsolidated summary statement of cash flows for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 (Annexure III), read together with the notes on material adjustments (Annexure IV A) and with the related significant accounting policies (Annexure IV B) and other notes on accounts (Annexure IV C), are on the basis of the financial statements audited by us for the respective years after making such adjustments as are required by the Regulations; and

- (d) do not contain any extraordinary items that need to be disclosed separately other than those presented in the restated unconsolidated summary statements and also do not contain any audit qualifications requiring adjustment.

Other financial information

- 5. We have also examined the following financial information proposed to be included in the offer document:
 - (a) Restated unconsolidated statement of share capital (Annexure V)
 - (b) Restated unconsolidated statement of reserves and surplus (Annexure VI)
 - (c) Restated unconsolidated statement of long-term borrowings (Annexure VII)
 - (d) Restated unconsolidated statement of deferred tax (Annexure VIII)
 - (e) Restated unconsolidated statement of other long-term liabilities and long-term provisions (Annexure IX)
 - (f) Restated unconsolidated statement of short-term borrowings and current maturities of long-term borrowings (Annexure X)
 - (g) Restated unconsolidated statement of trade payables, other current liabilities and short-term provisions (Annexure XI)
 - (h) Restated unconsolidated statement of investments (Annexure XII)
 - (i) Restated unconsolidated statement of long-term loans and advances (Annexure XIII)
 - (j) Restated unconsolidated statement of current investments (Annexure XIV)
 - (k) Restated unconsolidated statement of trade receivables (Annexure XV)
 - (l) Restated unconsolidated statement of unbilled revenue, cash and bank and short-term loans and advances (Annexure XVI)
 - (m) Restated unconsolidated statement of other income (Annexure XVII)
 - (n) Restated unconsolidated statement of other expenses (Annexure XVIII)
 - (o) Restated unconsolidated statement of finance cost (Annexure XIX)
 - (p) Restated unconsolidated statement of provision for taxes (Annexure XX)
 - (q) Restated unconsolidated statement of contingent liabilities (Annexure XXI)
 - (r) Restated unconsolidated statement of related parties (Annexure XXII)
 - (s) Statement of restated unconsolidated accounting ratios (Annexure XXIII)
 - (t) Restated unconsolidated capitalisation statement (Annexure XXIV)
 - (u) Restated unconsolidated statement of dividend paid (Annexure XXV)
 - (v) Restated unconsolidated tax shelter statement (Annexure XXVI)
- 6. In our opinion, the other financial information read with the notes on material adjustments (Annexure IV A) and with the significant accounting policies (Annexure IV B) are prepared in accordance with the requirements of the Act and of the Regulations.
- 7. This report should not in any way be construed as a reissuance or re-dating of any of the previous reports issued by us nor should it be construed as a new opinion on any of the financial statements referred to herein.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our written consent.

Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 038332
Mumbai
27 July 2015

LARSEN & TOUBRO INFOTECH LIMITED
ANNEXURE I : RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES
₹ Million

Particulars	Annexures	As at 31 March				
		2015	2014	2013	2012	2011
EQUITY AND LIABILITIES						
<i>Shareholders' funds</i>						
Share capital	V	161.25	161.25	161.25	161.25	161.25
Reserves and surplus	VI	19,093.28	14,522.83	12,168.69	10,116.06	11,003.34
Total equity		19,254.53	14,684.08	12,329.94	10,277.31	11,164.59
<i>Non-current liabilities</i>						
Long-term borrowings	VII	138.89	266.29	361.90	452.22	-
Deferred tax liabilities (net)	VIII	76.84	180.34	-	-	-
Other long-term liabilities	IX	538.35	729.11	1,256.88	2,022.19	815.66
Long-term provisions	IX	103.71	131.06	94.30	51.25	36.23
		857.79	1,306.80	1,713.08	2,525.66	851.89
<i>Current liabilities</i>						
Short-term borrowings	X	1,897.48	673.84	1,582.93	1,976.84	2,378.47
Current maturities of long- term borrowings	X	138.89	133.14	120.63	56.53	-
Trade payables	XI	2,528.52	2,255.70	1,891.40	1,720.74	1,719.29
Other current liabilities	XI	1,599.53	3,632.68	2,472.89	1,652.98	745.40
Short-term provisions	XI	2,791.97	2,371.85	1,782.82	1,604.69	2,118.98
		8,956.39	9,067.21	7,850.67	7,011.78	6,962.14
TOTAL EQUITY AND LIABILITIES		29,068.71	25,058.09	21,893.69	19,814.75	18,978.62
ASSETS						
<i>Non-current assets</i>						
<i>Fixed assets</i>						
Tangible assets		2,617.02	2,610.36	2,225.54	2,170.15	1,662.76
Intangible assets		755.47	332.21	316.14	301.47	253.84
Capital work-in-progress		47.63	88.13	462.06	74.33	82.84
Intangible assets under development		195.37	418.27	321.15	210.07	113.90
		3,615.49	3,448.97	3,324.89	2,756.02	2,113.34
Non-current investments	XII	3,953.11	3,146.15	4,019.29	4,037.28	4,077.67
Deferred tax assets (net)	VIII	-	-	57.93	20.29	57.48
Long-term loans and advances	XIII	2,387.26	2,534.84	1,931.57	1,355.39	1,783.75
		9,955.86	9,129.96	9,333.68	8,168.98	8,032.24
<i>Current assets</i>						
Current investments	XIV	622.32	1,402.11	217.30	355.59	1,030.75
Trade receivable	XV	10,314.39	8,495.82	7,233.99	6,266.71	4,661.99
Unbilled revenue	XVI	1,434.59	1,064.61	1,014.02	821.66	1,142.06
Cash and bank	XVI	1,334.34	1,455.40	1,135.87	1,229.35	1,312.75
Short-term loans and advances	XVI	5,407.21	3,510.19	2,958.83	2,972.46	2,798.83
		19,112.85	15,928.13	12,560.01	11,645.77	10,946.38
TOTAL ASSETS		29,068.71	25,058.09	21,893.69	19,814.75	18,978.62

As per our report attached
SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
By the hand of

Firdosh D. Buchia
Partner
Membership No: 038332
Place : Mumbai
Date : July 27, 2015

LARSEN & TOUBRO INFOTECH LIMITED
ANNEXURE II : RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES

						₹ Million
Particulars	Annexures	2014-15	2013-14	2012-13	2011-12	2010-11
Income						
Revenue from operations		47,444.03	46,439.40	36,134.21	29,595.55	22,837.41
Other income	XVII	887.80	(810.92)	167.35	89.99	710.09
Total income		48,331.83	45,628.48	36,301.56	29,685.54	23,547.50
Expenses						
Employee benefit expenses	XVIII	28,064.72	26,456.57	21,085.73	17,700.80	14,153.66
Operating expenses	XVIII	4,605.35	4,207.52	2,877.76	2,233.79	1,928.47
Sales, administration and other expenses	XVIII	5,224.97	5,123.26	4,125.00	3,466.23	3,091.93
		37,895.04	35,787.35	28,088.49	23,400.82	19,174.06
Operating profit		10,436.79	9,841.13	8,213.07	6,284.72	4,373.44
Finance cost	XIX	104.18	297.69	197.67	358.03	92.56
Depreciation on tangible assets		659.89	502.68	452.77	408.07	385.29
Amortisation of intangible assets		247.41	180.23	169.70	157.77	209.70
		1,011.48	980.60	820.14	923.87	687.55
Profit before extraordinary items and tax		9,425.31	8,860.53	7,392.93	5,360.85	3,685.89
Profit from continuing operations before tax		9,425.31	8,282.58	6,625.04	5,360.85	3,685.89
Tax expense for continuing operations						
Current tax	XX	1,602.82	1,650.04	1,621.05	1,276.01	603.04
Deferred tax		92.87	238.27	(37.65)	37.19	(46.31)
		1,695.69	1,888.31	1,583.40	1,313.20	556.73
Profit from continuing operations after tax		7,729.62	6,394.27	5,041.64	4,047.65	3,129.16
Profit from discontinued operations before tax	IV C (9)	-	577.95	767.89	-	-
Tax expense for discontinued operations						
Current tax	XX	-	127.05	193.83	-	-
Profit from discontinued operations after tax		-	450.90	574.06	-	-
Net profit before extraordinary item		7,729.62	6,845.17	5,615.70	4,047.65	3,129.16
Extraordinary item (net of tax)	IV C (9)	-	2,177.88	-	-	-
Net profit after tax before restatement adjustments		7,729.62	9,023.05	5,615.70	4,047.65	3,129.16
Restatement adjustment:						
Change in accounting policy						
Amortisation of cost of long-term projects	IV A	6.35	9.52	(15.87)	11.62	33.08
Net profit before extraordinary item as restated		7,735.97	6,854.69	5,599.83	4,059.27	3,162.24
Extraordinary item (net of tax) as restated		-	2,177.88	-	-	-
Net profit after tax as restated		7,735.97	9,032.57	5,599.83	4,059.27	3,162.24

As per our report attached
SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
By the hand of

Firdosh D. Buchia
Partner
Membership No: 038332
Place : Mumbai
Date : July 27, 2015

LARSEN & TOUBRO INFOTECH LIMITED
ANNEXURE III : RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS

						₹ Million
	Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
A.	Cash flow from operating activities					
	Net profit before tax as restated (excluding extraordinary items)	9,431.66	8,870.05	7,377.06	5,372.47	3,718.97
	Adjustments for:					
	Depreciation and amortisation	907.30	682.91	622.47	565.84	594.99
	Employees stock options amortised	-	2.28	7.38	19.21	43.03
	Interest (net)	38.23	10.34	45.54	29.67	(1.99)
	Unrealised foreign exchange loss (gain)	(558.20)	(536.06)	(700.13)	(362.69)	(409.84)
	(Profit) on sale of current investments	(119.62)	(60.48)	(84.47)	(82.42)	(106.66)
	Diminution in value of investment	-	-	-	-	0.03
	(Profit)/loss on sale of fixed assets	3.16	(3.46)	(2.88)	(3.39)	(12.23)
	Operating profit before working capital changes	9,702.53	8,965.58	7,264.97	5,538.69	3,826.30
	Changes in working capital					
	(Increase)/decrease in trade receivables	(2,226.73)	(1,454.27)	(1,204.56)	(1,197.83)	(967.11)
	(Increase)/decrease in other receivables	(44.55)	(580.58)	419.65	(219.17)	(546.15)
	Increase/(decrease) in trade & other payables	1,016.45	1,333.56	390.03	160.16	1,112.49
	(Increase)/decrease in working capital	(1,254.83)	(701.29)	(394.88)	(1,256.84)	(400.77)
	Cash generated from operations	8,447.70	8,264.29	6,870.09	4,281.85	3,425.53
	Direct taxes paid	(2,643.01)	(2,133.42)	(2,040.89)	(1,032.32)	(740.16)
	Net cash from operating activities (excluding extraordinary items)	5,804.69	6,130.87	4,829.20	3,249.53	2,685.37
B.	Cash flow from investing activities					
	Purchase of fixed assets	(1,114.24)	(957.94)	(1,244.81)	(1,232.17)	(907.94)
	Sale of fixed assets	24.99	154.40	56.36	27.05	57.17
	(Purchase)/sale of current investments(net)	899.41	(1,124.33)	242.76	797.97	615.75
	Disinvestment in subsidiary	-	1,202.97	-	-	-
	Investment in subsidiaries	(806.96)	(329.83)	(2.01)	-	(2,806.32)
	Interest received	17.99	84.18	41.69	47.18	64.88
	Net cash used in investing activities before extra ordinary items	(978.81)	(970.55)	(906.01)	(359.97)	(2,976.46)
	Extraordinary Items					
	Proceeds from sale of PES buisness (net)	-	3,796.97	-	-	-
	Loss on winding up of subsidiary	-	(1,202.97)	-	-	-
	Net cash from investing activities after extra ordinary items	(978.81)	1,623.45	(906.01)	(359.97)	(2,976.46)
C.	Cash flow from financing activities					
	Proceeds from/(repayment) of borrowings	1,040.09	(984.57)	(445.38)	64.28	1,947.66
	Interest paid	(56.22)	(94.52)	(87.23)	(76.85)	(62.89)
	Dividend paid	(4,805.25)	(5,514.75)	(3,031.50)	(2,547.75)	(1,515.75)
	Tax on dividend paid	(1,125.56)	(840.95)	(452.56)	(412.64)	(304.89)
	Net cash from financing activities	(4,946.94)	(7,434.79)	(4,016.67)	(2,972.96)	64.13

	Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
	Net increase in cash and cash equivalents	(121.06)	319.53	(93.48)	(83.40)	(226.96)
	Cash and cash equivalents at 31 March of previous year	1,455.40	1,135.87	1,229.35	1,312.75	1,539.71
	Cash and cash equivalents at 31 March	1,334.34	1,455.40	1,135.87	1,229.35	1,312.75

Notes:

1. Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 : "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.
2. Purchase of fixed assets includes movements of capital work-in-progress between the beginning and end of the year.
3. Cash and cash equivalents represent cash and bank balances.
4. Bank balances include revaluation loss/(gain) as follows:

	₹ Million				
Year	2014-15	2013-14	2012-13	2011-12	2010-11
Revaluation loss/ (gain)	(3.44)	(75.62)	(40.81)	(86.91)	(16.30)

As per our report attached

SHARP & TANNAN

Chartered Accountants

Firm's Registration No.109982W

By the hand of

Firdosh D. Buchia

Partner

Membership No: 038332

Place : Mumbai

Date : July 27, 2015

LARSEN & TOUBRO INFOTECH LIMITED

Annexure IV : Notes to restated unconsolidated summary financial statements

Annexure IV A : Notes on material adjustments

(a) Change in accounting policy

The cost incurred on long term projects mainly comprise of legal and employee related costs to secure long term projects. The Company was amortising the cost over the period of two years from the year in which it was incurred. The Company revised its accounting policy for amortisation of cost incurred for long term projects and the same is charged to the statement of profit and loss in the year in which it was incurred for more appropriate presentation of financial statements. Consequently in restated financial statement, the Company has debited ₹ 44.71 Mn to opening profit and loss as on 1 April 2010. Further, the Company has credited ₹ 33.08 Mn for the year ended 31 March 2011, ₹ 11.62 Mn for the year ended 31 March 2012, debited ₹ 15.87 Mn for the year ended 31 March 2013, credited ₹ 9.52 for the year ended 31 March 2014 and ₹ 6.35 Mn for the year ended 31 March 2015, to respective restated statement of profit and loss.

Annexure IV B: Significant accounting policies

1. Preparation of financial statements

The restated unconsolidated financial statements are prepared from the audited financials of the years ending 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, in accordance with the requirements of section 26 of the Companies Act, 2013 ('the Act') read with Companies (Prospectus and Allotment Securities) Rules, 2014 ('the Rules') and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 as amended ('the Regulations').

2. Revenue recognition

- a) Revenue from contracts priced on time and material basis are recognised when services are rendered and related costs are incurred.

Revenue from services performed on "fixed-price" basis is recognised using the proportionate completion method.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

b) Other income

- i. Interest income is accrued at applicable interest rate.
- ii. Dividend income is accounted in the period in which the right to receive the same is established.
- iii. Other items of income are accounted as and when the right to receive arises.

3. Employee benefits

a) Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short- term employee benefits. The benefits like salaries, wages, short term compensated absences and performance incentives are recognised in the period in which the employee renders the related service.

b) Post-employment benefits

- i) Defined contribution plan:

The Company's superannuation fund and state governed provident fund scheme are classified as defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employee renders the related service.

ii) **Defined benefit plans:**

The provident fund scheme managed by trust, employees gratuity fund scheme managed by LIC and post-retirement medical benefit scheme are the Company's defined benefit plans. Wherever applicable, the present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government bonds as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the statement of profit and loss. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense on a straight-line basis over the average period until the benefits become vested.

(iii) **Long-term employee benefits:**

The obligation for long-term employee benefits like long-term compensation absences is recognised in the similar manner as in the case of defined benefit plans as mentioned in (b) (ii) above.

4. Fixed assets

Tangible

Fixed assets are stated at cost less accumulated depreciation.

Intangible

Computer software and internally developed software is capitalised at cost.

5. Investments

Long-term investments are stated at cost, less provision for other than temporary diminution in value, if any. Current investments are stated at the lower of cost or market value, determined on the basis of specific identification.

6. Leases

Finance lease

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value and the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Operating lease

Assets acquired under lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on accrual basis.

7. Depreciation

Tangible - owned assets

For the year ending 31 March 2015, depreciation on assets has been provided based on useful life prescribed in schedule II to the Companies Act, 2013 except for the leasehold improvements which is depreciated over the lease period.

For the years ending 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, depreciation on all assets is calculated using straight line method at rates prescribed by schedule XIV to the Companies Act, 1956 from time to time except for the following:

☐	Plant and machinery	4.75%-20%
☐	Computers	25-30%
☐	Servers	25%
☐	Furniture and fixtures	10%
☐	Office equipments	20%-33.33%
☐	Motor cars	14.14%

Tangible - leased assets

Assets acquired under finance leases are depreciated at the rates applicable to similar assets owned by the Company as there is reasonable certainty that the Company shall obtain ownership of the assets at the end of the lease term.

☐	Leasehold land	Over the residual period of the lease

Intangible assets

The basis of amortisation of intangible assets is as follows:

☐	Computer software	33.33%
☐	Intellectual property rights (IPR)	33.33%
☐	Business rights	Over a period of five years

Depreciation / amortisation on additions / disposals are calculated pro-rata from / to the month of additions / disposals.

8. Investment

Trade investments comprise investments in subsidiary companies.

Investments, which are readily realisable and are intended to be held for not more than one year from the date of acquisition, are classified as current investments. All other investments are classified as long-term investments.

9. Employee stock ownership schemes

In respect of stock options granted pursuant to the Company's stock option schemes, the excess of fair value of the share over the exercise price of the option is treated as discount and accounted as employee compensation cost over the vesting period.

10. Foreign currency transactions

- a) Foreign currency transactions are initially recorded at the rates prevailing on the date of the transaction. At the balance sheet date, foreign currency monetary items are reported using the

closing rate. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Translation of foreign currency transaction of overseas branches is as under:

- Revenue items at the average rate for the period;
- Fixed assets and investments at the rates prevailing on the date of the transaction; and
- Other assets and liabilities at year end rates

Exchange difference on settlement / year end conversion is adjusted to statement of profit and loss.

- b) Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitments or of highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly. Exchange differences arising on such contracts are recognised in the period in which they arise and the premium paid / received is accounted as expense / income over the period of the contract. Profit or loss on such forward contracts is accounted as income or expense for the period.
- c) All the other derivative contracts, including forward contracts entered into to hedge foreign currency risks on unexecuted firm commitments and highly probable forecast transactions are recognised in the financial statements at fair value as on the balance sheet date. In pursuance of the announcement of the Institute of Chartered Accountants of India (ICAI) dated March 29, 2008 on accounting of derivatives, the Company has adopted Accounting Standard 30 for applying the test of hedge effectiveness of the outstanding derivative contracts. Accordingly, the resultant gains or losses on fair valuation of such contracts are recognised in the statement of profit and loss or balance sheet as the case may be.

11. Taxes on income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred tax is recognised on timing differences between the income accounted in financial statements and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Other deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

12. Borrowing costs

Borrowing costs include interest, commitment charges, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

13. Provisions, contingent liabilities and contingent assets

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event;
- b) a probable outflow of resources is expected to settle the obligation; and
- c) the amount of the obligation can be reliably estimated

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

- a) a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation; or
- b) a possible obligation unless the probability of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

14. Segment accounting

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with/allocable to the segment.
- ii. Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. Expenditure which relate to the Company as a whole and not allocable to segments are included under “unallocable corporate expenditure”.
- iii. Income which relates to the Company as a whole and not allocable to segments is included in “unallocable corporate income”.
- iv. Fixed assets used and liabilities contracted for performing the Company’s business have not been identified to any of the above reported segments as the fixed assets and services are used interchangeably among segments.

15. Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- i. transactions of a non-cash nature
- ii. any deferrals or accruals of past or future operating cash receipts or payments; and
- iii. items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the cash flow statement.

Annexure IV C : Other notes on accounts:

1. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for are as follows:

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Estimated amount	310.76	269.43	167.44	234.59	230.48

2. In line with the Company’s financial risk management policy, financial risks relating to changes in the exchange rates, are hedged by using a combination of forward and options contracts, besides the natural hedges. The loss on fair valuation of the derivative contracts which are designated and are effective as hedges, has been accounted in retained earnings in balance sheet as follows:

	₹ Million				
	2014-15	2013-14	2012-13	2011-12	2010-11
Loss on fair	366.96	2,923.11	2,694.38	2,663.11	658.42

	2014-15	2013-14	2012-13	2011-12	2010-11
valuation					

The loss/(gain) on settlement of the options/forwards is recognised in statement of profit and loss is as follows:

₹ Million					
	2014-15	2013-14	2012-13	2011-12	2010-11
Loss/(gain) on settlement	(243.04)	1,839.30	747.27	1,074.47	(179.27)

The particulars of derivative contracts entered into for hedging foreign currency risks outstanding as at March 31, are as under:

₹ Million						
Sr.	Category of derivative instruments	Notional amount				
		As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
a)	Forward contracts for receivables	58,583.85	29,493.37	34,906.68	24,887.27	16,516.52
b)	Option contracts	-	480.00	1,954.26	3,663.00	5,351.40

Un-hedged foreign currency exposures are as under:

₹ Million						
Sr.	Un-hedged foreign currency exposures	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
1	Receivables including firm commitments and highly probable forecast transactions	30,001.71	49,989.21	36,877.48	41,528.92	24,612.73
2	Payables including firm commitments and highly probable forecast transactions	24,474.66	33,388.42	30,283.47	28,868.62	18,455.74

3. The Company has made provision, as required under the applicable law or accounting standard for material foreseeable losses on long term derivative contracts.

4. **Expenditure in foreign currency:**

₹ Million					
	2014-15	2013-14	2012-13	2011-12	2010-11
Overseas staff costs	16,661.19	15,464.68	11,471.24	9,473.58	7,366.85
Foreign travel	305.56	330.67	224.57	109.91	71.75
Agency commission	0.62	1.45	1.78	6.13	-
Subcontracting expenses	2,923.75	3,010.64	2,103.93	1,472.05	1,180.16
Overseas office expenses including (others)	1,928.01	1,638.26	1,147.66	890.33	759.77
Total	21,819.13	2,0445.70	14,949.18	11,952.00	9,378.53

5. **Earnings in foreign currency:**

₹ Million					
	2014-15	2013-14	2012-13	2011-12	2010-11
Software exports	45,368.13	44,148.43	34,015.81	27,838.75	21,336.69
Other income	27.32	8.71	21.69	53.71	501.91
Total	45,395.45	44,157.14	34,037.50	27,892.46	21,838.60

6. Leases

Finance leases

In accordance with Accounting Standard 19 “Leases” issued by the Institute of Chartered Accountants of India, the assets acquired under finance leases on or after April 1, 2001 are capitalised and a loan liability is recognised for an equivalent amount. Consequently depreciation is provided on such leases. Lease rentals paid are allocated to the liability and the interest is charged to statement of profit and loss.

Operating leases

The Company has taken employee used cars under non-cancellable operating leases. The rental expense in respect of operating leases and the future rentals payable are as follows:

	₹ Million				
	2014-15	2013-14	2012-13	2011-12	2010-11
Rental expense of operating lease	1.21	19.49	26.89	23.92	39.05
Minimum lease payments					
- Payable not later than 1 year	0.16	0.99	10.62	21.41	51.21
- Payable after 1 year but not later than 5 years	-	0.08	1.56	11.98	38.90
Total	0.16	1.07	12.18	33.39	90.11

7. Segmental reporting

The Company had 3 business segments. **Services cluster** includes Banking & Financial services, Insurance, Media & Entertainment, Travel & Logistics and Healthcare. **Industrials cluster** includes Hi Tech and Consumer Electronics, Consumer, Retail & Pharma, Energy & Process, Automobile & Aerospace, Plant Equipment & Industrial Machinery, Utilities and Engineering & Construction. **Telecom** segment refers to Product Engineering Services (PES) which is a part of discontinued business (refer annexure IV C (9)). The Company has presented its segment results accordingly.

- (i) Revenues represented along industry classes comprise the primary basis of segmental information set out in these financial statements. The revenue and operating profit by segment is as under:

	₹ Million				
	2014-15	2013-14	2012-13	2011-12	2010-11
Revenue					
Services cluster	24,468.34	20,191.11	15,564.56	12,635.40	9,683.65
Industrials cluster	22,975.69	22,577.48	16,380.09	13,421.46	10,037.65
Telecom	-	3,670.81	4,189.56	3,538.69	3,116.11
Revenue from Operations	47,444.03	46,439.40	36,134.21	29,595.55	22,837.41
Segmental profit					
Services cluster	5,521.28	4,855.23	3,768.53	3,559.47	2,497.70
Industrials cluster	5,966.68	6,984.82	5,277.55	4,162.88	2,788.84
Telecom	-	870.02	1,256.94	1,053.59	700.82
Segmental operating profit	11,487.96	12,710.07	10,303.02	8,775.94	5,987.36
Unallocable expenses (net)	1,938.97	2,058.02	2,257.30	2,581.21	2,324.01
Other income	887.80	(810.92)	167.35	89.99	710.09
Operating profit	10,436.79	9,841.13	8,213.07	6,284.72	4,374.44
Finance cost	104.18	297.69	197.67	358.03	92.56
Depreciation	659.89	502.68	452.77	408.07	385.29
Amortisation of intangible assets	247.41	180.23	169.70	157.77	209.70
Profit before extraordinary items and tax	9,425.31	8,860.53	7,392.93	5,360.85	3,685.89
Restatement adjustments	6.35	9.52	(15.87)	11.62	33.08
Restated profit before extraordinary items and tax	9,431.66	8,870.05	7,377.06	5,372.47	3,718.97

(ii) Segmental reporting of revenues on the basis of the geographical location of the customers is as under:

	2014-15	2013-14			2012-13			2011-12	2010-11
		Continuing business	Discontinued business	Total	Continuing business	Discontinued business	Total		
North America	32,024.48	28,188.42	1,741.53	29,929.95	21,805.83	1,782.00	23,587.83	20,006.20	15,377.83
Europe	8,839.21	8,931.63	183.73	9,115.36	6,096.46	128.92	6,225.38	4,648.99	3,400.75
Asia Pacific	1,198.13	1,155.89	982.37	2,138.26	825.45	1,398.26	2,223.71	1,832.37	1,543.64
India	2,075.90	1,530.53	760.45	2,290.98	1,248.95	869.45	2,118.40	1,756.79	1,500.73
Rest of the world	3,306.31	2,962.12	2.73	2,964.85	1,967.96	10.93	1,978.89	1,351.20	1,014.46
Revenue from Operations	47,444.03	42,768.59	3,670.81	46,439.40	31,944.65	4,189.56	36,134.21	29,595.55	22,837.41

Fixed assets used and liabilities contracted for performing the Company's business have not been identified to any of the above reported segments as the fixed assets and services are used interchangeably among segments.

8. Based on the information and records available with the Company, there are no amounts payable to micro and small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.
9. As part of business restructuring undertaken within Larsen & Toubro Group, it was decided to consolidate the engineering services businesses under a separate subsidiary of Larsen & Toubro Limited, called L&T Technology Services Limited (LTTSL). Pursuant to this, the Company initiated and completed the transfer of its Product Engineering Services (PES) Business Unit to LTTSL effective 1 January, 2014. The PES business was transferred by way of slump sale for total purchase consideration of ₹ 4,895.27 Mn based on fair valuation carried out by external chartered accountants. The purchase consideration was determined based on the Discounted Cash Flow (DCF) method of valuation of business. GDA Technologies Inc., USA (GDA Inc.), a wholly owned subsidiary of Larsen & Toubro Infotech Limited was a part of PES business with synergy in terms of the end customers they serve, primarily the semiconductor companies. Over last few years, the performance of GDA Inc. was affected due to the recession which impacted the end customers resulting in falling revenues and operational losses. Subsequent to the transfer of PES business, it was therefore decided to wind up this subsidiary. Accordingly, certain IP (Intellectual properties) owned by GDA Inc. were transferred to LTTSL at a fair valuation carried out by external chartered accountants.

The Indian subsidiary of GDA Inc. called GDA Technologies Limited, India was taken over by Larsen & Toubro Infotech Limited based on fair valuation carried out by external chartered accountants.

Consequently GDA Inc. was wound up in USA with effect from 28 March 2014.

The following assets and liabilities have been transferred to L&T Technology Services Limited:

₹ Million		
Tangible assets		76.61
Intangible assets		26.47
Long term loans and advances		90.45
Current assets	1,126.04	
Current liabilities and provisions	(479.64)	
Net current assets		646.40
Total assets transferred		839.93
Less:		
Other long term liabilities		130.34
Hedging reserve		(389.15)
Net assets transferred		1,098.74

The results of discontinued business are as under:

₹ Million		
	For the period April 2013-Dec 2013	FY 2012-13
Total revenues	3,670.81	4,189.56
Total expenses	(3,092.86)	(3,421.67)
Profit before taxes	577.95	767.89
Income taxes	(127.05)	(193.83)
Profit after tax	450.90	574.06

Extra -ordinary item

The above has given rise to extraordinary items being recognised in the financial statements for the year ended 31 March 2014.

₹ Million	
i) Profit on sale of PES business unit to L&T Technology Services Limited	3,796.97
ii) Capital loss arising from disinvestment and winding up of the wholly owned	(1,202.97)

subsidiary GDA Technologies Inc, USA	
iii) Extra-ordinary gain	2,594.00
iv) Capital gains tax on extraordinary items	(416.12)
v) Extra-ordinary gain (net of tax)	2,177.88

- 10(i)** During the year ended 31 March, 2011, the Company entered into an agreement with Citigroup Fund Services Canada (CFSC) Inc. to purchase its business of providing Information Technology platform. With this transaction, the Company acquired the IT platform to bolster its ability to provide end -to-end technology services to its clients. To give effect to this acquisition, a wholly owned subsidiary "CF L&T FTServ Financial Technologies Services Inc." was incorporated by CFSC Inc. under Canada Business Corporation Act and the company acquired 100% stake in the same for total cash consideration of ₹ 2,806.32 Mn on 1 January,2011. After acquisition the name of the company has been changed to "L&T Infotech Financial Services Technologies Inc."
- 10(ii)** The Company has acquired equity share capital of Larsen And Toubro Infotech South Africa (Proprietary) Limited on 25 July 2012.
- 10(iii)** The Company has formed a new entity "L&T Information Technology Services (Shanghai) Co. Limited" in People's Republic of China on 28 June 2013. Investment in this entity is not denominated in number of shares as per laws of the People's Republic of China.
- 10(iv)** On October 16, 2014, the Company acquired entire share capital of Information Systems Resource Centre Private Limited ('ISRC'), thereby making it a wholly owned subsidiary. ISRC is engaged in software services with respect to application development, information technology support and maintenance services to OTIS Elevator Company Inc. (OTIS) and certain other group companies of OTIS, which are part of United Technologies Corporation (UTC) group. The Company believes that acquisition will strengthen its relationship with UTC group. The acquisition was executed through a share purchase agreement for a consideration of ₹ 806.96 Mn.

The Board of Directors of the Company and ISRC have approved the scheme of amalgamation of ISRC with the Company on October 17, 2014 and December 04, 2014, respectively, with October 17, 2014 as the appointed date. Accordingly, a petition for sanctioning the scheme of amalgamation has been filed with the Hon'ble High Court of Judicature at Bombay and approval from Hon'ble High Court is awaited.

Annexure V: Restated unconsolidated statement of share capital

₹ Million

		As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
(a)	Authorised :	163.75	163.75	163.75	163.75	163.75
	32,750,000 equity shares of ₹ 5 each					
	Issued, paid up and subscribed					
	32,250,000 equity shares for ₹ 5 each	161.25	161.25	161.25	161.25	161.25
	EQUITY SHARE CAPITAL	161.25	161.25	161.25	161.25	161.25

The Company has split shares of face value of ₹ 5 to face value of ₹ 1 on 22 June 2015.

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

The amount of interim dividend distributed to equity shareholder was as follows:

₹ Million

	2014-15	2013-14	2012-13	2011-12	2010-11
Dividend per share	149	171	94	79	47

(c) Shareholders holding more than 5% of equity shares as at the end of the year:

All the equity shares are held by Larsen & Toubro Limited, the holding company

(d) Reconciliation of the number of equity shares & share capital

There was no movement in the number of equity shares during these five years.

(e) Shares reserved for issue under options outstanding as at the end of the year on un-issued share capital :

Particulars		As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
	Exercise Price	Number of equity shares of face value of ₹ 5 to be issued as fully paid				
#Employee stock options granted and outstanding under Employee Stock Ownership Scheme "ESOS Plan"	25	393,003	393,003	393,003	393,003	393,003
	10	1,873,467	1,880,484	2,155,197	2,179,953	2,203,092
Employees Stock Ownership Scheme – 2006 U.S. Stock Option Sub-Plan ('Sub-Plan')	\$12	90,100	90,100	90,100	90,100	83,700

Refer annexure no. V (h) (1)

(f) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2015 are Nil.

- (g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended March 31, 2015 – Nil.

(h) **Stock option plans**

1. Employee Stock Ownership Scheme ('ESOS Plan')

Under the Employee Stock Ownership Scheme (ESOS), options outstanding are as follows:

Year	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Number of options	2,266,470	2,273,487	2,548,200	2,572,956	2,596,095

The grant of options to the employees under ESOS is on the basis of their performance and other eligibility criteria. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹5 each.

All vested options can be exercised on the first exercise date as may be determined by the Compensation Committee prior to date of IPO. The details of the grants under the aforesaid scheme are summarised below:-

	ESOP Series	I,II & III				
		2014-15	2013-14	2012-13	2011-12	2010-11
1	Grant price (₹)	25	25	25	25	25
2	Options granted and outstanding at the beginning of the year	393,003	393,003	393,003	393,003	393,003
3	Options granted during the year	-	-	-	-	-
4	Options cancelled/ lapsed during the year	-	-	-	-	-
5	Options exercised and shares allotted during the year	-	-	-	-	-
6	Options granted and outstanding at the end of the year of which -	393,003	393,003	393,003	393,003	393,003
	Options vested	393,003	393,003	393,003	393,003	393,003
	Options yet to vest	-	-	-	-	-

	ESOP Series	IV-XXI				
		2014-15	2013-14	2012-13	2011-12	2010-11
1	Grant price (₹)	10	10	10	10	10
2	Options granted and outstanding at the beginning of the year	1,880,484	2,155,197	2,179,953	2,203,092	2,191,456
3	Options granted during the year	-	-	-	-	35,000
4	Options cancelled/ lapsed during the year	7,017	274,713	24,756	23,139	23,364
5	Options exercised and shares allotted during the year	-	-	-	-	-
6	Options granted and outstanding at the end of the year of which -	1,873,467	1,880,484	2,155,197	2,179,953	2,203,092
	Options vested	970,917	970,917	970,917	970,917	970,917
	Options yet to vest	902,550	909,567	1,184,280	1,209,036	1,232,175

2. Employees Stock Ownership Scheme – 2006 U.S. Stock Option Sub-Plan (‘Sub-Plan’)

The Company had instituted the Employees Stock Ownership Scheme – 2006 U.S. Stock Option Sub-Plan (‘Sub-Plan’) for the employees and Directors of its erstwhile subsidiary, GDA Technologies, Inc, USA. The term of option was 5 years from the date of grant. As per vesting schedule, the options had to vest over a period of five years, subject to fulfilment of certain conditions specified in the respective non-statutory stock option agreement. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 5 each at an exercise price of USD 12 per share. Under the said plan, options granted, outstanding and vested as at the end of the year are as follows:

Year	2014-15	2013-14	2012-13	2011-12	2010-11
Number of options	90,100	90,100	90,100	90,100	83,700

With effect from 1 April 2010, all employees of GDA Technologies Inc. have been transferred to the rolls of Larsen & Toubro Infotech Limited and deputed to GDA Technologies Inc. Hence the liability towards stock option amounting to ₹ 27.70 Mn (₹ 23.22 Mn transferred to general reserve and ₹ 4.48 Mn was charged to statement of profit and loss) was created in the books in FY 2010-11.

3. Employees stock options granted and outstanding as at the end of the year on unissued share capital represent options as follows:

Year	2014-15	2013-14	2012-13	2011-12	2010-11
Number of options	2,356,570	2,363,587	2,638,300	2,663,056	2,679,795

Annexure VI: Restated unconsolidated statement of reserves and surplus
₹ Million

		As as 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
1. General reserve						
	As per last balance sheet	4,486.78	3,576.78	2,976.78	2,476.78	2,100.00
	Less : ESOP liability of GDA Technologies Inc. charged to general reserve on transfer of employees to Larsen & Toubro Infotech Limited payroll	-	-	-	-	23.22
	Add : transferred from statement of profit and loss	-	910.00	600.00	500.00	400.00
		4,486.78	4,486.78	3,576.78	2,976.78	2,476.78
2. Hedging reserve						
	Opening balance	(2,923.11)	(2,694.39)	(2,663.11)	(658.42)	(595.85)
	Deduction/(addition) during the year	2,556.15	(228.72)	(31.28)	(2,004.69)	(62.57)
		(366.96)	(2,923.11)	(2,694.39)	(2,663.11)	(658.42)
3. Security premium reserve		1,181.24	1,181.24	1,181.24	1,181.24	1,181.24
4. Profit and loss account						
	Opening balance	11,439.51	9,768.92	8,292.39	7,694.19	6,699.46
	Add: profit for the year	7,735.97	9,032.57	5,599.83	4,059.27	3,162.24
	Less: depreciation charged against retained earnings	12.27	-	-	-	-
	Add : deferred tax charged against retained earnings	2.17	-	-	-	-
		19,165.38	18,801.49	13,892.22	11,753.46	9,861.70
	Less: appropriations					
	(a) General reserve	-	910.00	600.00	500.00	400.00
	(b) Interim dividend	4,805.25	5,514.75	3,031.50	2,547.75	1,515.75
	(c) Tax on dividend	906.32	937.23	491.80	413.32	251.76
	Balance to be carried forward	13,453.81	11,439.51	9,768.92	8,292.39	7,694.19
5. Employee stock options outstanding						
	As per last balance sheet	338.41	338.41	338.74	339.07	278.68
	Add : addition during the year	-	-	-	-	61.05
	Less : deductions during the year	-	-	0.33	0.33	0.66
		338.41	338.41	338.41	338.74	339.07
6. Deferred employee compensation expense						
	As per last balance sheet	-	(2.27)	(9.98)	(29.52)	(35.38)
	Add : addition during the year	-	-	-	-	(61.05)
	Less : deductions during the year	-	(2.27)	(7.71)	(19.54)	(66.91)
		-	-	(2.27)	(9.98)	(29.52)
	RESERVES AND SURPLUS	19,093.28	14,522.83	12,168.69	10,116.06	11,003.34

Annexure VII : Restated unconsolidated statement of long-term borrowings

₹ Million

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Long-term borrowings					
Secured loans*					
Term loans from bank	138.89	266.29	361.90	452.22	-
	138.89	266.29	361.90	452.22	-

*Details of secured loans – long term				
Nature of term loan	Rate of interest	Repayment terms	Prepayment charges	Security offered
External commercial borrowings (ECB)	USD LIBOR (3 months) + 2.5%	Repayable in equal half-yearly instalments of USD 1.11 million each commencing from 19 October 2012 and ending on 14 October 2016.	No charges applicable on prepayment	Secured against hypothecation of the Company's movable fixed assets

There are no long-term borrowings from related parties.

Annexure VIII : Restated unconsolidated statement of deferred tax

₹ Million

	Deferred tax asset/(liability)				
	As at 31-03 2015	As at 31-03-2014	As at 31-03 2013	As at 31-03 2012	As at 31-03-2011
Deferred tax liabilities					
Depreciation / amortisation	(15.34)	1.66	(0.29)	(29.26)	(41.66)
Gain on derivative transactions	(304.09)	-	-	-	-
Branch profit tax	(323.40)	(234.68)	-	-	-
Others	-	-	(1.85)	(2.48)	(2.48)
Total	(642.83)	(233.02)	(2.14)	(31.74)	(44.14)
Deferred tax assets					
Provision for doubtful debts and advances	7.19	3.04	15.75	9.04	56.70
Provision for employee benefits	60.50	49.64	44.32	42.99	35.21
Loss on derivative transactions	498.30	-	-	-	-
Others	-	-	-	-	9.71
Total	565.99	52.68	60.07	52.03	101.62
Net deferred tax assets/(liability)	(76.84)	(180.34)	57.93	20.29	57.48
Amount charged to statement of profit and loss	92.87	238.27	(37.65)	37.19	(46.31)
Amount charged to hedge reserve	194.21	-	-	-	-

Annexure IX : Restated unconsolidated statement of other long-term liabilities and long-term provisions**(A) Other long-term liabilities**

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Forward contract payable	447.46	673.91	1,170.19	1,955.48	768.69
Other payables	90.89	55.20	86.69	66.71	46.97
	538.35	729.11	1,256.88	2,022.19	815.66

(B) Long-term provisions

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Provisions for employee benefits					
Post retirement medical benefits	103.71	88.63	90.69	42.10	36.23
Provision for interest rate guarantee(PF)	-	42.43	3.61	9.15	-
	103.71	131.06	94.30	51.25	36.23

Annexure X: Restated unconsolidated statement of short-term borrowings and current maturities of long-term borrowings

(A) Short-term borrowings

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Secured loans*					
Other loans from banks	600.00	-	828.65	1,232.71	589.33
Unsecured loans					
Other loans from banks	1,297.48	673.84	754.28	744.13	565.68
Inter corporate borrowings	-	-	-	-	1,223.46
	1,897.48	673.84	1,582.93	1,976.84	2,378.47

₹ Million					
*Details of secured loans – short-term					
Nature of term loan	Amount outstanding as on 31 March 2015	Rate of interest	Repayment terms	Prepayment charges	Security offered
Packing credit	100.00	9.5%	Full amount payable on maturity alongwith interest for the period.	None	Secured against hypothecation of the Company's movable accounts receivable
	62.50	USD LIBOR (3 months) + 0.3%			
	125.00	USD LIBOR (1 month) + 0.3%			
	312.5	USD LIBOR (6 month) + 0.2%	Prepayment charges will be subject to Bank's discretion		

Out of the total inter-company borrowings, ₹ 1,000 Mn is from holding company and balance ₹ 223.46 Mn is from GDA Technologies Limited. Except as on 31 March 2011, there are no short-term borrowings from holding company (subsequently repaid). There are no borrowings from other related parties.

(B) Current maturities of long-term borrowings

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Long-term borrowings					
Secured loans*					
Term loans from bank	138.89	133.14	120.63	56.53	-
	138.89	133.14	120.63	56.53	-

Refer annexure VII for security and other terms and conditions of the loan.

There are no long-term borrowings from related parties.

Annexure XI: Restated unconsolidated statement of trade payables, other current liabilities and short-term provisions

(A) Trade payables

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Trade payables					
Due to holding company	174.23	190.79	583.19	358.64	507.76
Due to fellow subsidiaries	-	117.68	-		
Due to others	2,354.29	1,947.23	1,308.21	1,362.10	1,211.53
	2,528.52	2,255.70	1,891.40	1,720.74	1,719.29

(B) Other current liabilities

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Forward contract payable	89.22	2,289.49	1,642.22	985.59	167.70
Interest accrued but not due on borrowings	2.41	2.29	2.95	4.10	
Other payables	1,507.90	1,340.90	827.72	663.29	577.70
	1,599.53	3,632.68	2,472.89	1,652.98	745.40

(C) Short-term provisions

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Provisions for employee benefits					
Gratuity	92.42	29.39	88.01	140.68	53.69
Compensated absences	453.57	393.89	330.37	267.13	233.61
Post retirement medical benefits	0.24	0.16	0.12	0.08	0.12
Others	2,235.04	1,765.02	1,353.62	1,186.10	938.51
	2,781.27	2,188.46	1,772.12	1,593.99	1,225.93
Other provisions					
Income-tax	-	172.69	-	-	882.35
Others*	10.70	10.70	10.70	10.70	10.70
Total	2,791.97	2,371.85	1,782.82	1,604.69	2,118.98

* Disclosure pursuant to Accounting Standard (AS) 29 "Provisions, Contingent Liabilities and Contingent Assets"

		As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
1	Provision for sales tax	4.00	4.00	4.00	4.00	4.00
2	Provision for others	6.70	6.70	6.70	6.70	6.70
	Total provision	10.70	10.70	10.70	10.70	10.70

Nature of provisions:

- i) Provision for sales tax pertains to claim made by the authorities on certain transaction of capital nature for the year 2002-03.
- ii) Provision for others represents liabilities relating to matters in dispute.

Annexure XII: Restated unconsolidated statement of investments
₹ Million

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Non-current investments					
Trade investments					
Long term investment in subsidiaries					
1 fully paid equity share of Euro 25,000 in Larsen & Toubro Infotech GmbH	1.14	1.14	1.14	1.14	1.14
100 fully paid equity shares of CAD 1 each in Larsen & Toubro Infotech Canada Ltd.	6.61	6.61	6.61	6.61	6.61
10 Common Stock at no par value in GDA Technologies Inc., USA*	-	-	1,202.97	1,202.97	1,202.97
168,197 equity shares of ₹ 10 each in GDA Technologies Limited*	323.00	323.00	0.24	0.24	0.24
1,000,000, equity shares at no par value in L&T Infotech Financial Services Technologies Inc.**	2,806.32	2,806.32	2,806.32	2,806.32	2,806.32
332,350 equity shares at no par value Investment in Larsen And Toubro Infotech South Africa (Proprietary) Limited**	2.01	2.01	2.01	-	-
Investment in L&T Information Technology Services (Shanghai) Co. Limited**	7.07	7.07	-	-	-
3,500,000 equity shares of ₹ 10 each in Information Systems Resource Centre Private Limited.**	806.96	-	-	-	-
Non trade investments					
Investments in mutual funds	-	-	-	20.00	60.39
Total non current investments	3,953.11	3,146.15	4,019.29	4,037.28	4,077.67

* Refer annexure IV C (9)

** Refer annexure IV C (10)

Annexure XIII: Restated unconsolidated statement of long-term loans and advances**₹ Million**

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Considered good					
Premia on forward contracts	874.90	768.15	823.03	479.04	1,001.23
Deposits	359.38	378.28	207.52	290.29	238.84
Capital advances	6.64	42.10	82.19	12.15	46.34
Advances recoverable in cash or in kind	1,146.34	1,346.31	818.83	573.91	497.34
	2,387.26	2,534.84	1,931.57	1,355.39	1,783.75

There are no long-term loans and advances given to related parties including directors and holding company.

Annexure: XIV : Restated unconsolidated statement of current investments**₹ Million**

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Investment in mutual funds	622.32	1,402.11	217.30	355.59	1,030.75

Details of quoted investments**₹ Million**

Particulars	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Aggregate amount of quoted current investments and market value thereof;					
Book value	622.32	1,402.11	217.30	355.59	1,030.78
Market value	623.96	1,420.45	218.65	362.10	1,030.75

Annexure: XV : Restated unconsolidated statement of trade receivables**₹ Million**

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Trade receivables					
Unsecured					
Debts outstanding for a period exceeding six months					
Considered good	64.46	23.77	63.52	51.49	92.88
Considered doubtful	69.27	34.33	89.98	47.36	180.24
	133.73	58.10	153.50	98.85	273.12
Other debts					
Considered good					
-Due from subsidiaries	195.22	86.53	453.43	82.12	117.57
Due from fellow subsidiaries	84.67	-	28.09	17.19	62.03
-Others	9,970.04	8,385.52	6,688.95	6,115.91	4,389.51
	10,383.66	8,530.15	7,323.97	6,314.07	4,842.23
Less : Allowance for bad and doubtful debts	(69.27)	(34.33)	(89.98)	(47.36)	(180.24)
	10,314.39	8,495.82	7,233.99	6,266.71	4,661.99

There are no receivables from holding company and directors.

Annexure XVI : Restated unconsolidated statement of unbilled revenue, cash and bank and short-term loans and advances

(A) Unbilled revenue

Unbilled revenues comprise revenue recognised in relation to services performed in accordance with contract terms but not billed.

(B) Cash and bank balances

	₹ Million				
Cash and Bank	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Cash on hand	0.65	0.55	0.76	0.72	0.37
Balances with banks					
- in current accounts					
Overseas	650.14	751.22	591.42	607.63	376.09
Domestic	217.48	231.52	18.65	184.19	91.65
Remittances in transit	221.58	140.02	423.24	124.26	255.17
Fixed deposits (maturity less than 3 months)	125.12	212.72	-	100.00	377.00
	1,214.97	1,336.03	1,034.07	1,016.80	1,100.28
Other bank balance					
Fixed deposit with bank with more than 3 months but less than 12 months maturity	-	-	-	150.00	210.00
Cash and bank balance not available for immediate use*	119.37	119.37	101.80	62.55	2.47
	1,334.34	1,455.40	1,135.87	1,229.35	1,312.75

* Other bank balance not available for immediate use being in nature of security for guarantees issued by bank on behalf of the Company, collaterals etc.

(C) Short-term loans and advances

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Considered good					
Loans against mortgage of house property	0.10	0.20	0.54	0.23	0.42
Premia on forward contracts	1,723.63	1,146.85	594.63	1,025.41	168.09
Interest receivable	6.67	8.47	5.14	12.77	28.87
Loans to subsidiary	-	-	271.43	262.01	240.81
Deposits	123.96	56.39	142.85	35.10	67.55
Advance tax current year (net of provision)	159.95	-	15.66	14.42	-
Advances recoverable in cash or in kind					
-Considered good	3,392.90	2,298.28	1,928.58	1,622.52	2,293.09
-Considered doubtful	6.06	4.85	4.85	10.27	13.98
Less : Allowance for doubtful advances	(6.06)	(4.85)	(4.85)	(10.27)	(13.98)
	5,407.21	3,510.19	2,958.83	2,972.46	2,798.83

There are no short-term loans and advances given to directors and holding company.

Annexure XVII : Restated unconsolidated statement of other income

	₹ Million				
	2014-15	2013-14	2012-13	2011-12	2010-11
Income from current investment in mutual funds	119.62	60.48	84.47	82.42	106.66
Profit on sale of fixed assets	-	3.46	2.88	3.39	12.23
Interest received	17.99	84.18	41.69	47.18	64.88
Foreign exchange gain/(loss)	685.56	(1,003.40)	(40.99)	(119.33)	479.17
Provision no longer required for doubtful debts	-	-	-	3.44	2.33
Miscellaneous income	64.63	44.36	79.30	72.89	44.82
	887.80	(810.92)	167.35	89.99	710.09

Annexure XVIII : Restated unconsolidated statement of other expenses

₹ Million

		2014-15	2013-14	2012-13	2011-12	2010-11
(A)	Employee benefit expenses					
	Salaries including overseas staff expenses	26,889.46	25,127.39	19,926.15	16,537.25	13,218.70
	Staff welfare	790.11	933.34	756.78	693.16	604.47
	Contribution to provident and other funds	247.01	320.42	252.37	233.69	183.79
	Contribution to superannuation fund	44.71	38.67	56.35	89.94	86.92
	Contribution to gratuity fund	93.43	36.75	94.08	146.76	59.78
		28,064.72	26,456.57	21,085.73	17,700.80	14,153.66
(B)	Operating expenses					
	Communication expenses	151.27	142.62	104.61	104.59	88.55
	Consultancy charges	3,366.86	3,167.46	2,199.27	1,665.57	1,400.94
	Cost of software packages for own use	344.47	349.17	302.79	235.41	183.43
	Cost of bought-out items for resale	742.75	548.27	271.09	228.22	255.55
		4,605.35	4,207.52	2,877.76	2,233.79	1,928.47
(C)	Sales, administration and other expenses					
	Travelling and conveyance	1,155.63	1,165.74	976.15	847.13	781.50
	Rent and establishment expenses	1,381.30	1,390.90	1,330.43	1,087.13	887.05
	Telephone charges and postage	330.87	342.58	303.96	270.84	252.09
	Legal and professional charges	517.62	609.00	255.91	216.68	216.79
	Printing and stationery	28.06	24.51	24.93	28.11	25.61
	Advertisement	89.94	66.30	36.36	48.46	36.83
	Entertainment	54.43	48.36	31.92	24.82	22.78
	Recruitment expenses	129.61	96.12	71.42	81.44	77.53
	Repairs to building	134.90	104.47	105.14	93.85	68.28
	Repairs to computers	85.02	70.67	76.11	73.69	70.94
	General repairs and maintenance	250.51	234.78	152.59	111.71	80.88
	Power and fuel	287.19	309.20	282.84	237.20	267.72
	Equipment hire charges	10.15	7.62	7.80	11.00	13.48
	Insurance charges	161.64	111.90	111.55	73.99	62.98
	Rates and taxes	330.67	206.30	104.06	103.17	75.84
	Allowance for doubtful debts and advances	74.07	8.33	78.76	20.05	14.56
	Bad debts	39.13	200.24	29.55	178.50	26.91
	Less : Provision written back	(39.13)	(66.65)	(29.55)	(178.50)	(26.91)
	Commission paid	0.62	18.15	13.69	6.13	0.38
	Books, periodicals and subscriptions	27.43	10.34	26.18	12.53	8.47
	Directors fees	0.93	0.40	0.52	3.18	0.58
	Commission to director	3.60	3.73	4.46	-	-
	Loss on sale of fixed assets	3.16	-	-	-	-
	Miscellaneous expenses	161.27	150.75	127.05	103.50	94.56
	Amortisation of cost of long term projects*	6.35	9.52	3.17	11.62	33.08
		5,224.97	5,123.26	4,125.00	3,466.23	3,091.93

* Cost incurred for long term projects mainly comprise of legal and employee related costs to secure long term projects.

Annexure XIX : Restated unconsolidated statement of finance cost

₹ Million

	2014-15	2013-14	2012-13	2011-12	2010-11
Interest paid on					
Fixed loans	46.94	91.56	86.50	37.90	24.18
On others	9.28	2.93	0.73	38.55	38.26
Lease finance charges	-	0.03	-	0.40	0.45
	56.22	94.52	87.23	76.85	62.89
Exchange (gain)/loss on borrowings (net)	47.96	203.17	110.44	281.18	29.67
	104.18	297.69	197.67	358.03	92.56

Annexure XX : Restated unconsolidated statement of provision for taxation

₹ Million

	2014-15	2013-14	2012-13	2011-12	2010-11
Current tax on continuing operations#	2,117.82	1,946.96	1,675.50	1,544.54	840.68
MAT credit entitlement for current year	(505.04)	(188.42)	-	-	(278.48)
MAT credit entitlement for earlier years	-	-	-	(277.91)	-
Provision for earlier year/excess provision for earlier year written back	(9.96)	(108.50)	(54.45)	9.38	40.84
Total current taxes (a)	1,602.82	1,650.04	1,621.05	1,276.01	603.04
Current tax on discontinued operations (b)	-	127.05	193.83	-	-
Capital gains tax on sale of PES business unit	-	592.68	-	-	-
MAT credit entitlement on capital gains tax for current year	-	(176.56)	-	-	-
Capital gain tax on sale of PES business (c)	-	416.12	-	-	-
Current tax (a) +(b)+(c)	1,602.82	2,193.21	1,814.88	1,276.01	603.04

The current year tax charge includes taxes payable outside India as follows:

₹ Million

	2014-15	2013-14	2012-13	2011-12	2010-11
Taxes payable outside India	405.29	654.37	407.56	295.62	255.43

Annexure XXI : Restated unconsolidated statement of contingent liabilities**₹ Million**

		2014-15	2013-14	2012-13	2011-12	2010-11
1.	Income- tax liability that may arise in respect of which the Company is in appeal*	1,164.82	910.03	48.22	44.31	47.77
2.	Corporate guarantee given on behalf of subsidiary**	5,395.70	5,681.29	5,445.98	3,572.98	3,173.80
3.	Service tax refund disallowed, in respect of which the company is in process of filing appeal #	4.52	-	-	-	-
4.	Bill discounted with banks	-	-	59.71	157.62	-
		6,565.04	6,591.32	5,553.91	3,774.91	3,221.57

* Out of contingent tax liability for FY 2014-15, ₹1,099.79 Mn (including interest of ₹ 263.71 Mn), for FY 2013-14, ₹ 866.26 Mn (including interest of ₹ 240.57 Mn), for FY 2012-13, ₹ 29.63 Mn (including interest of ₹ 18.59 Mn), for FY 2011-12, ₹ 25.72 Mn (including interest of ₹ 18.59 Mn), for FY 2010-11, ₹ 31.85 Mn (including interest of ₹15.92 Mn) pertains to the tax demand arising on account of disallowance of exemption under section 10A on profits earned by STPI Units on onsite export revenue. The Company is pursuing appeal against these demands before the relevant Appellate Authorities.

The Company believes that its position is likely to be upheld by Appellate Authorities and considering the facts, the ultimate outcome of these proceedings is not likely to have material adverse effect on the results of operations or the financial position of the Company.

** (a) The Company has given a corporate guarantee on behalf of its wholly owned subsidiary, L&T Infotech Financial Services Technologies Inc., Canada. The guarantee is for performance of all obligations by L&T Infotech Financial Services Technologies Inc., Canada in connection with the long term annuity services contracts obtained by them. The obligation under this guarantee is limited in aggregate to the amount of CAD 70,000,000.

(b) The Company has given a corporate guarantee on behalf of its subsidiary, Larsen And Toubro Infotech South Africa (Proprietary) Limited. The guarantee is for performance of all obligations by Larsen And Toubro Infotech South Africa (Proprietary) Limited in connection with the Application Testing Service contract. The obligation under this guarantee is limited in aggregate to the amount of USD 31,414,785.

The Company had filed refund of accumulated service tax credit in accordance with relevant CENVAT credit Rules. However, the department has disallowed certain portion of such refunds considering the same as ineligible, as not related with export and output services. The Company is in process of filing appeal against these disallowances before the relevant Authorities and hopeful of getting a favourable order.

For FY 2011-12

Two terminated employees in USA had initiated litigation against the Company in FY 2011-12. The processes of the litigations were at the initial stages. While the Company's management believed that it had a valid defense against the allegations made, management was neither able to predict the final outcome of the proceedings nor was it possible to estimate the monetary impact of an adverse decision. Management, however, did not reasonably expect that these litigations, when concluded and determined, will have any material and adverse effect on the operations or the financial position of the Company. The matter has since been concluded.

Annexure XXII : Restated unconsolidated statement of related parties**(A)** List of related parties over which control exists/exercised:

Name	Relationship
Larsen & Toubro Infotech GmbH	Wholly owned subsidiary
Larsen & Toubro Infotech Canada Ltd.	Wholly owned subsidiary
GDA Technologies Limited (Refer annexure IV C (9))	Wholly owned subsidiary
GDA Technologies Inc (Refer annexure IV C (9))	Wholly owned subsidiary
Larsen & Toubro Infotech LLC	Wholly owned subsidiary
L&T Infotech Financial Services Technologies Inc (Refer annexure IV C (10)(1))	Wholly owned subsidiary
Larsen And Toubro Infotech South Africa (Proprietary) Limited (Refer annexure IV C (10)(2))	Subsidiary
L&T Information Technology Services (Shanghai) Co. Limited ((Refer annexure IV C (10)(3))	Wholly owned subsidiary
Information Systems Resource Centre Private Limited (Refer annexure IV C (10)(4))	Wholly owned subsidiary

(B) Key management personnel:

Name	Status
Mr. V K Magapu	Managing Director
Mr. Chandrashekar Kakal	Chief Operating Officer & Executive Director *
Mr. K R L Narasimham	Executive Director **
Mr. Vivek Chopra	Chief Executive (Industrials Cluster) & Executive Director ***
Dr. Mukesh Aghi	Chief Executive (Services Cluster) & Executive Director #
Mr. Sunil Pande	Executive Director \$

* Appointed as Executive Director w.e.f. July 21, 2014

** Ceased to be Director w.e.f. the close of working hours of April 7, 2015

*** Ceased to be Director w.e.f. the close of working hours of December 31, 2014

Ceased to be Director w.e.f. the close of working hours of February 28, 2015

\$ Appointed as Executive Director w.e.f. January 10, 2015

(C) List of related parties with whom there were transactions during any of the five years FY 2014-15, FY 2013-14, FY 2012-13, FY 2011-12, FY 2010-11:

Name	Relationship
Larsen & Toubro Limited	Holding Company
Larsen & Toubro Infotech GmbH	Wholly owned subsidiary
Larsen & Toubro Infotech Canada Ltd.	Wholly owned subsidiary
GDA Technologies Limited (Refer annexure IV C (9))	Wholly owned subsidiary
GDA Technologies Inc (Refer annexure IV C (9))	Wholly owned subsidiary
Larsen & Toubro Infotech LLC	Wholly owned subsidiary
L&T Infotech Financial Services Technologies Inc (Refer annexure IV C (10)(1))	Wholly owned subsidiary
Larsen And Toubro Infotech South Africa (Proprietary) Limited (Refer annexure IV C (10)(2))	Subsidiary
L&T Information Technology Services (Shanghai) Co. Limited (Refer annexure IV C (10)(3))	Wholly owned subsidiary
Information Systems Resource Centre Private Limited (Refer annexure IV C (10)(4))	Wholly owned subsidiary

Name	Relationship
L&T - MHPS Turbine Generators Private Limited	Fellow Subsidiary
L&T Seawoods Limited	Fellow Subsidiary
L&T - MHPS Boilers Private Limited	Fellow Subsidiary
Larsen & Toubro (East Asia) SDN.BHD.	Fellow Subsidiary
L&T Modular Fabrication Yard LLC	Fellow Subsidiary
L&T Howden Private Limited	Fellow Subsidiary
L&T-Valdel Engineering Limited.	Fellow Subsidiary
Larsen & Toubro ATCO Saudia LLC	Fellow Subsidiary
L&T Hydrocarbon Engineering Limited*	Fellow Subsidiary
TAMCO Switchgear (Malaysia) SDN. BHD	Fellow Subsidiary
L&T Electricals and Automation Saudi Arabia Company Limited LLC	Fellow Subsidiary
L&T Finance Limited	Fellow Subsidiary
L&T General Insurance Company Limited	Fellow Subsidiary
L&T Infrastructure Development Projects Limited	Fellow Subsidiary
L&T Power Development Limited	Fellow Subsidiary
L&T Sapura Shipping Private Limited	Fellow Subsidiary
L&T Power Limited	Fellow Subsidiary
L&T-Sargent & Lundy Limited	Fellow Subsidiary
L&T Realty Limited	Fellow Subsidiary
L&T BPP Tollway Limited	Fellow Subsidiary
Larsen & Toubro Kuwait Construction General Contracting Company, With Limited Liability	Fellow Subsidiary
Larsen & Toubro Heavy Engineering LLC	Fellow Subsidiary
Larsen & Toubro Electromech LLC	Fellow Subsidiary
L&T Infrastructure Finance Company Limited	Fellow Subsidiary
L&T Metro Rail (Hyderabad) Limited	Fellow Subsidiary
L&T Kobelco Machinery Private Limited	Fellow Subsidiary
L&T Cutting Tools Limited	Fellow Subsidiary
L&T Technology Services Limited**	Fellow Subsidiary
Larsen & Toubro Hydrocarbon International Limited LLC	Fellow Subsidiary
L&T Valves Limited	Fellow Subsidiary
L&T Investment Management Limited	Fellow Subsidiary
L&T Construction Equipment Limited	Fellow Subsidiary
Larsen & Toubro LLC	Fellow Subsidiary
L&T Devihalli Hassan Tollway Limited	Fellow Subsidiary
Larsen and Toubro Saudi Arabia LLC	Fellow Subsidiary
Nabha Power Limited	Fellow Subsidiary
L&T Electrical & Automation FZE	Fellow Subsidiary

* This company was demerged from Larsen & Toubro Limited into new entity named L&T Hydrocarbon Engineering Limited effective April 2013. Transactions from 1 April 2010 to 31 March 2013 are including under holding company whereas transactions from 1 April 2013 to 31 March 2015 are shown separately as fellow subsidiary.

** Integrated Engineering Services (IES) unit from Larsen & Toubro Limited was transferred to L&T Technology Services Limited effective April 2014. Transactions from 1 April 2010 to 31 March 2014 are including under holding company whereas transactions for FY 2014-15 are shown separately as fellow subsidiary.

(D) Restated unconsolidated statement of related party transactions

	₹ Million				
Transaction	2014-15	2013-14	2012-13	2011-12	2010-11
Sale of services / products					
<u>Holding company</u>	352.00	635.68	422.83	345.81	430.78
- Larsen & Toubro Limited	352.00	635.68	422.83	345.81	430.78
<u>Subsidiaries</u>	1,500.90	1406.82	1,149.90	773.40	346.80

Transaction	2014-15	2013-14	2012-13	2011-12	2010-11
- Larsen &Toubrro Infotech GmbH	421.96	422.01	387.62	356.64	312.94
- L&T Infotech Financial Services Technologies Inc.	292.25	330.93	377.17	294.45	-
- Larsen And Toubrro Infotech South Africa (Proprietary) Limited.	627.42	499.48	242.06	-	-
- Larsen & Toubrro Infotech Canada Ltd.	159.27	152.02	130.59	115.40	-
<u>Fellow subsidiaries</u>	324.91	221.91	150.80	168.41	212.90
- L&T Metro Rail (Hyderabad) Limited	60.14	-	-	-	-
- L&T Technology Services Limited	53.12	-	-	-	-
- L&T Hydrocarbon Engineering Limited	59.13	49.94	-	-	-
- L&T General Insurance Company Limited	-	29.48	51.42	47.61	76.18
- L&T Power Limited	-	30.41	33.93	49.56	-
- Lasren & Toubro LLC	-	29.49	-	-	-
- L&T Finance Limited	-	-	22.68	-	-
- L&T Construction Equipment Limited	-	-	15.89	-	-
- Larsen and Toubro Saudi Arabia LLC	-	-	-	-	35.75
- TAMCO Switchgear (Malaysia) SDN. BHD	-	-	-	-	29.07
- L&T Modular Fabrication Yard LLC	-	-	-	22.87	-
Sale of assets					-
<u>Holding company</u>	-	17.13	30.52	23.66	68.06
- Larsen & Toubro Limited	-	17.13	30.52	23.66	68.06
<u>Fellow subsidiaries</u>	-	11.73	-	-	-
- L&T Technology Services Limited	-	11.73	-	-	-
Purchase of services					
<u>Holding company</u>	1,034.96	1,727.68	1,428.88	1078.96	799.81
- Larsen & Toubro Limited	1,034.96	1,727.68	1,428.88	1078.96	799.81
<u>Subsidiaries</u>	454.97	618.00	488.02	350.39	427.74
- Information Systems Resource Centre Private Limited.	143.59	-	-	-	-
- Larsen & Toubro Infotech LLC	158.09	265.06	270.14	345.04	427.74
- Larsen & Toubro Infotech Canada Ltd.	128.16	148.03	-	-	-
- Larsen AndToubrro Infotech South Africa (Proprietary) Limited.	-	64.14	-	-	-
- Larsen &Toubrro Infotech GmbH	-	121.21	186.16	-	-
<u>Fellow subsidiaries</u>	686.46	234.22	-	-	8.73
- L&T Technology Services Limited	686.46	234.22	-	-	-
- L&T- Valdel Engineering Limited.	-	-	-	-	8.73
Overheads charged by					
<u>Holding company</u>	125.82	205.06	219.22	245.80	168.25
- Larsen & Toubro Limited	125.82	205.06	219.22	245.80	168.25
<u>Subsidiaries</u>	163.58	147.89	50.45	29.13	64.32
- Larsen & Toubro Infotech GmbH	46.11	64.72	-	-	46.45
- Larsen And Toubro Infotech South Africa (Proprietary) Limited.	116.04	-	-	-	-
- L&T Infotech Financial Services Technologies Inc.	-	50.31	-	-	-
- Larsen & Toubro Infotech LLC	-	-	-	-	11.39
- GDA Technologies Inc.	-	32.78	44.96	28.73	-
<u>Fellow subsidiaries</u>	44.45	11.68	8.31	8.59	4.23
- Larsen & Toubro (East Asia) SDN. BHD.	24.43	-	-	1.75	-
- L&T Electrical & Automation FZE	5.81	-	-	-	-
- Larsen &Toubrro Kuwait Construction General Contracting Company, With	10.76	10.19	5.41	3.44	-

Transaction	2014-15	2013-14	2012-13	2011-12	2010-11
Limited Liability					
- Larsen & Toubro Electromech LLC	-	-	-	1.89	-
- L&T Power Limited	-	-	1.27	-	-
- L & T Electricals and Automation Saudi Arabia Company Limited LLC.	-	-	0.92	-	-
- L & T Finance Limited	-	-	-	-	3.94
Overheads charged to					
<u>Holding company</u>	60.77	350.20	321.58	484.56	388.74
- Larsen & Toubro Limited	60.77	350.20	321.58	484.56	388.74
<u>Subsidiaries</u>	99.64	174.03	155.49	154.46	67.48
- Larsen & Toubro Infotech Canada Ltd.	33.08	18.36	22.17	17.86	-
- Larsen & Toubro Infotech GmbH	50.98	63.29	25.01	26.60	-
- GDA Technologies Inc.	-	72.15	73.00	94.42	67.48
- L&T Infotech Financial Services Technologies Inc.	-	-	19.21	-	-
<u>Fellow subsidiaries</u>	613.95	191.85	0.13	8.47	7.70
- L&T Technology Services Limited	606.71	144.33	-	-	-
- L&T Hydrocarbon Engineering Limited	-	47.17	-	-	-
- L&T Power Limited	-	-	0.13	-	2.04
- L&T Valdel Engineering Limited.	-	-	-	8.13	2.76
- L&T Infrastructure Development Projects Limited	-	-	-	-	2.09
- L&T Power Development Limited	-	-	-	-	1.02
Commission received from					
<u>Holding company</u>	-	14.70	5.93	0.98	2.81
- Larsen & Toubro Limited	-	14.70	5.93	0.98	2.81
<u>Subsidiaries</u>	-	7.84	4.71	3.81	-
- Larsen & Toubro Infotech Canada Ltd.	-	7.84	4.71	3.81	-
<u>Fellow subsidiaries</u>	11.81	4.66	-	-	-
- L&T Technology Services Limited	11.81	4.66	-	-	-
Lease rent paid					
<u>Fellow subsidiaries</u>	0.52	1.41	2.70	8.56	16.21
- L&T Finance Limited	0.52	1.41	2.70	8.56	16.21
Commission paid to					
<u>Holding company</u>	-	16.70	11.70	-	-
- Larsen & Toubro Limited	-	16.70	11.70	-	-
<u>Fellow subsidiaries</u>	0.62	-	-	-	-
- Larsen & Toubro Kuwait Construction General Contracting Company, With Limited Liability	0.62	-	-	-	-
Interest paid					
<u>Holding company</u>	-	1.90	0.01	32.72	23.05
- Larsen & Toubro Limited	-	1.90	0.01	32.72	23.05
<u>Subsidiaries</u>	-	-	-	14.87	1.33
- GDA Technologies Limited	-	-	-	14.87	1.33
Interest received					
<u>Holding company</u>	-	53.43	-	-	-
- Larsen & Toubro Limited	-	53.43	-	-	-
<u>Subsidiaries</u>	-	11.51	12.17	12.84	7.03
- GDA Technologies Inc	-	11.51	12.17	12.84	7.03

Transaction	2014-15	2013-14	2012-13	2011-12	2010-11
Unsecured loan given to					
Holding company	-	4,500.00	-	-	-
- Larsen & Toubro Limited	-	4,500.00	-	-	-
Subsidiaries	-	-	271.43	262.01	240.81
GDA Technologies Inc	-	-	271.43	262.01	240.81
Unsecured loan taken from					
Holding company	-	400.00	-	-	1,000.00
- Larsen & Toubro Limited	-	400.00	-	-	1,000.00
Subsidiaries	-	-	-	-	233.46
- GDA Technologies Limited	-	-	-	-	233.46
Investments					
Subsidiaries	806.96	329.83	2.01	-	2806.32
- Information Systems Resource Centre Private Limited.	806.96	-	-	-	-
- L&T Information Technology Services (Shanghai) Co. Limited.	-	7.07	-	-	-
- Larsen And Toubro Infotech South Africa (Proprietary) Limited.	-	-	2.01	-	-
- GDA Technologies Limited	-	322.76	-	-	-
- L&T Infotech Financial Services Technologies Inc.	-	-	-	-	2,806.32
Trade receivables					
Subsidiaries	195.22	86.53	453.43	82.12	117.57
Fellow subsidiaries	84.67	-	28.09	17.19	62.03
Trade payables					
Holding company	174.23	190.79	583.19	358.64	507.76
Fellow subsidiaries	-	117.68	-	-	-
Interim dividend paid					
Holding Company	4,805.25	5,514.75	3,031.50	2,547.75	1515.75
- Larsen & Toubro Limited	4,805.25	5,514.75	3,031.50	2,547.75	1515.75
Bad-debts written-off					
Subsidiaries	-	133.66	-	-	-
- GDA Technologies Inc	-	133.66	-	-	-
Dividend received					
Subsidiaries	-	-	0.15	-	-
GDA Technologies Limited	-	-	0.15	-	-

(E) **Managerial remuneration**

	₹ Million				
Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Total managerial remuneration	183.69	77.10	42.41	0.02	-
Amount for major parties					
Salaries and perquisites					
Mr. Vivek Chopra	68.52	38.51	21.73	-	-
Dr. Mukesh Aghi	68.56	38.59	20.69	-	-
Mr. K.R.L.N Narasimham	-	-	-	0.02	-

Annexure XXIII : Restated unconsolidated statement of accounting ratios

(A) Basic and diluted earnings per share (EPS) at face value of ₹ 5

Before extraordinary items

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated Profit after tax (₹ Million)	7,735.97	6,854.69	5,599.83	4,059.27	3,162.24
Weighted average number of shares outstanding	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Basic EPS (₹)	239.88	212.55	173.64	125.87	98.05

	2014-15	2013-14	2012-13	2011-12	2010-11
Weighted average number of shares outstanding	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Add : weighted average number of potential equity shares on account of employee options	1,454,020	1,454,020	1,454,020	1,454,020	1,447,620
Weighted average number of shares outstanding	33,704,020	33,704,020	33,704,020	33,704,020	33,697,620
Diluted EPS (₹)	229.53	203.38	166.15	120.44	93.84

After extraordinary items

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated Profit after tax (₹ Million)	7,735.97	9,032.57	5,599.83	4,059.27	3,162.24
Weighted average number of shares outstanding	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Basic EPS (₹)	239.88	280.08	173.64	125.87	98.05

	2014-15	2013-14	2012-13	2011-12	2010-11
Weighted average number of shares outstanding	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Add : weighted average number of potential equity shares on account of employee options	1,454,020	1,454,020	1,454,020	1,454,020	1,447,620
Weighted average number of shares outstanding	33,704,020	33,704,020	33,704,020	33,704,020	33,697,620
Diluted EPS (₹)	229.53	268.00	166.15	120.44	93.84

(B) Basic and diluted earnings per share (EPS) at face value of ₹ 1

Before extraordinary items

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated Profit after tax (₹ Million)	7,735.97	6,854.69	5,599.83	4,059.27	3,162.24
Weighted average number of shares outstanding	161,250,000	161,250,000	161,250,000	161,250,000	161,250,000
Basic EPS (₹)	47.98	42.51	34.73	25.17	19.61

	2014-15	2013-14	2012-13	2011-12	2010-11
Weighted average number of shares outstanding	161,250,000	161,250,000	161,250,000	161,250,000	161,250,000
Add : weighted average number of potential equity shares on account of employee options	7,270,100	7,270,100	7,270,100	7,270,100	7,238,100
Weighted average number of shares outstanding	168,520,100	168,520,100	168,520,100	168,520,100	168,488,100

	2014-15	2013-14	2012-13	2011-12	2010-11
Diluted EPS (₹)	45.91	40.68	33.23	24.09	18.77

After extraordinary items

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated Profit after tax (₹ Million)	7,735.97	9,032.57	5,599.83	4,059.27	3,162.24
Weighted average number of shares outstanding	161,250,000	161,250,000	161,250,000	161,250,000	161,250,000
Basic EPS (₹)	47.98	56.02	34.73	25.17	19.61

	2014-15	2013-14	2012-13	2011-12	2010-11
Weighted average number of shares outstanding	161,250,000	161,250,000	161,250,000	161,250,000	161,250,000
Add : weighted average number of potential equity shares on account of employee options	7,270,100	7,270,100	7,270,100	7,270,100	7,238,100
Weighted average number of shares outstanding	168,520,100	168,520,100	168,520,100	168,520,100	168,488,100
Diluted EPS (₹)	45.91	53.60	33.23	24.09	18.77

The Company has split its equity shares from face value of ₹ 5 to face value of ₹ 1 per equity share on 22 June 2015. Consequently disclosure of EPS is given both before and after the split for convenience of readers.

(C) Net asset value per share at face value of ₹ 5

	2014-15	2013-14	2012-13	2011-12	2010-11
Net asset value per share	597.04	455.32	382.32	318.68	346.19

(D) Net asset value per share at face value of ₹ 1

	2014-15	2013-14	2012-13	2011-12	2010-11
Net asset value per share	119.41	91.06	76.46	63.74	69.24

The Company has split its equity shares from face value of ₹ 5 to face value of ₹ 1 per equity share on 22 June 2015. Consequently disclosure of net asset value per share is given both before and after the split for convenience of readers.

(E) Return on net worth

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated Profit after tax (₹ Million)	7,735.97	6,854.69	5,599.83	4,059.27	3,162.24
Average net worth	16,969.30	13,507.01	11,303.62	10,720.95	10,476.99
Return of net worth %	45.6%	50.8%	49.5%	37.9%	30.2%

- 1) Earnings per share (Basic) =
$$\frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$
- 2) Earnings per share (Diluted) =
$$\frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$$
- 3) Net asset value per share =
$$\frac{\text{Net worth at the end of the year}}{\text{Equity shares outstanding at the end of the year}}$$
- 4) Return on net worth =
$$\frac{\text{Net profit after tax}}{\text{Average net worth (average for two years)}}$$

Annexure XXIV : Restated unconsolidated capitalisation statement

₹ Million

Particulars	Pre issue as at 31st March, 2015	As adjusted for IPO (Refer note below)
Secured loans	877.78	877.78
Unsecured loans	1,297.48	1,297.48
Total debt	2,175.26	2,175.26
Shareholders' funds		
Share capital (A)	161.25	161.25
Reserves and surplus (B)	19,093.28	19,093.28
- General reserve	4,486.78	4,486.78
- Hedging reserve	(366.96)	(366.96)
- Securities premium reserve	1,181.24	1,181.24
- Profit and loss account	13,453.81	13,453.81
- Employee stock options outstanding	338.41	338.41
Total shareholders' funds (A) + (B)	19,254.53	19,254.53
Debt equity ratio (Number of times)	0.11	0.11

Note: Larsen and Toubro Limited (the holding company) is proposing to offer the equity shares of the Company to the public by way of an initial public offering. Hence there will be no change in the shareholders' funds post issue.

Annexure XXV : Restated unconsolidated statement of dividend paid**₹ Million**

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Dividend paid on equity shares					
Rate of dividend (%) (Face value of ₹ 5 per share)	2,980%	3,420%	1,880%	1,580%	940%
Dividend paid per share (Face value of ₹ 5 per share)	149.00	171.00	94.00	79.00	47.00
Dividend paid on equity shares	4,805.25	5,514.75	3,031.50	2,547.75	1,515.75
Tax on dividend paid	906.32	937.23	491.80	413.32	251.76

Annexure XXVI : Restated unconsolidated tax shelter statement
₹ Million

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Profit before tax, as restated	9,425.31	8,860.53	7,392.93	5,360.85	3,685.89
Tax Rate	33.99%	33.99%	32.445%	32.445%	33.2175%
Tax at notional rate	3,203.66	3,011.69	2,398.64	1,739.33	1,224.36
Adjustments on account of:					
Permanent differences:					
Dividend income	(63.32)	(56.78)	(74.58)	(33.42)	(1.09)
Deduction u/s 10A / 10AA	(5,045.28)	(3,957.86)	(2,232.47)	(750.70)	(2,695.02)
Other permanent differences	(13.11)	4.62	1.73	8.22	(30.00)
	(5,121.71)	(4,010.02)	(2,305.32)	(775.90)	(2,726.11)
Temporary differences:					
Difference between book depreciation and tax depreciation	(184.10)	(16.56)	20.63	41.33	55.27
Provision for doubtful debts	34.72	(57.59)	44.20	(161.89)	12.23
Provision for retirement benefits	156.17	63.52	63.24	33.52	23.61
	6.79	(10.63)	128.07	(87.04)	91.11
Net adjustments	(5,114.92)	(4,020.65)	(2,177.25)	(862.94)	(2,635.00)
Tax saving thereon	(1,738.56)	(1,366.62)	(706.40)	(279.98)	(875.28)
Total taxation before DIT relief	1,465.10	1,645.07	1,692.24	1,459.35	349.08
Less: DIT relief	(257.61)	(237.96)	(230.46)	(210.43)	(42.31)
Total taxation (domestic)	1,207.49	1,407.11	1,461.78	1,248.92	306.77
Add: Taxes paid in overseas countries	405.29	478.48	407.56	295.62	255.43
Total tax charge (domestic and overseas)	1,612.78	1,885.59	1,869.34	1,544.54	562.20
Add/Less: Provision for earlier year/excess provision for earlier year written back	(9.96)	(108.50)	(54.46)	(268.53)	40.84
Total tax charge as per books of accounts, as restated	1,602.82	1,777.09	1,814.88	1,276.01	603.04

Notes:

1. The Company has determined Minimum Alternate Tax to be payable under Section 115JB of the Income Tax Act, 1961 for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2011.
2. The current tax charge as per statement of profit and loss for FY 2013-14 includes tax charge for continuing and discontinuing operations.

As per our report attached

SHARP & TANNAN

Chartered Accountants

Firm's Registration No.109982W

By the hand of

Firdosh D. Buchia

Partner

Membership No: 038332

Place : Mumbai

Date : July 27, 2015

The Board of Directors
Larsen & Toubro Infotech Limited
L&T House
Ballard Estate
Mumbai 400 001

Dear Sirs,

1. We have examined the restated consolidated summary statement of assets and liabilities of Larsen & Toubro Infotech Limited ('the Company') and its subsidiaries (together 'the Group') as at 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 and also the restated consolidated summary statement of profits and losses and restated consolidated summary statement of cash flows for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, together with the notes and annexures thereto (collectively 'the restated consolidated summary statements') annexed to this report for the purpose of inclusion in the offer document to be issued by the Company in connection with the proposed Initial Public Offering ('IPO') of its equity shares.
2. The restated consolidated summary statements are prepared by management of the Company from the audited financial statements of the respective years, in accordance with the requirements of section 26 of the Companies Act, 2013 ('the Act') read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 ('the Rules') and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ('the Regulations'), and have been approved by the Company's board of directors on 27 July 2015.
3. We have examined the restated consolidated summary statements in accordance with:
 - (a) the terms of reference vide our engagement letter dated 15 July 2015 to carry out work on such financial information included in the offer document of the Company in connection with its IPO; and
 - (b) the Guidance Notes on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India.
4. We did not audit the financial statements of any of the Company's subsidiaries for any of the above-mentioned years. The audit reports of the other auditors, for these subsidiaries, have been furnished to us by management and on which we have relied, and our opinion, in so far as it relates to the amounts included in the financial statements of the subsidiaries, is solely based on the reports of these auditors. The total assets and revenues of the subsidiaries were as follows:

₹ million

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Total assets	5,233.60	5,537.14	5,756.51	5,023.56	4,165.95
Total revenues	4,456.60	4,765.91	4,325.49	3,534.44	1,934.67

5. On the basis of our examination and on the basis of the reports of the auditors of the subsidiaries as mentioned in paragraph 4 above, we are of the opinion that:
 - (a) the restated consolidated summary statement of assets and liabilities as at 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 (Annexure I), read together with the notes on material adjustments (Annexure IV A) and with the related significant accounting policies (Annexure IV B) and other notes on accounts (Annexure IV C), are on the basis of the financial statements audited by us for the respective years after making such adjustments as are required by the Regulations;
 - (b) the restated consolidated summary statement of profits and losses for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 (Annexure II), read together with the notes on material adjustments (Annexure IV A) and with the related significant accounting policies (Annexure IV B) and other notes on accounts (Annexure IV C), are on the

basis of the financial statements audited by us for the respective years after making such adjustments as are required by the Regulations;

- (c) the restated consolidated summary statement of cash flows for the years ended 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 (Annexure III), read together with the notes on material changes (Annexure IV A) and with the related significant accounting policies (Annexure IV B) and other notes on accounts (Annexure IV C), are on the basis of the financial statements audited by us for the respective years after making such adjustments as are required by the Regulations; and
- (d) do not contain any extraordinary items that need to be disclosed separately other than those presented in the restated consolidated summary statements and also do not contain any audit qualifications requiring adjustment.

Other financial information

6. We have also examined the following financial information proposed to be included in the offer document:
 - (a) Restated consolidated statement of share capital (Annexure V)
 - (b) Restated consolidated statement of reserves and surplus (Annexure VI)
 - (c) Restated consolidated statement of long-term borrowings (Annexure VII)
 - (d) Restated consolidated statement of deferred tax (Annexure VIII)
 - (e) Restated consolidated statement of other long-term liabilities and long-term provisions (Annexure IX)
 - (f) Restated consolidated statement of short-term borrowings and current maturities of long-term borrowings (Annexure X)
 - (g) Restated consolidated statement of trade payables, other current liabilities and short-term provisions (Annexure XI)
 - (h) Restated consolidated statement of investments (Annexure XII)
 - (i) Restated consolidated statement of long-term loans and advances (Annexure XIII)
 - (j) Restated consolidated statement of current investments (Annexure XIV)
 - (k) Restated consolidated statement of trade receivables (Annexure XV)
 - (l) Restated consolidated statement of unbilled revenue, cash and bank and short-term loans and advances (Annexure XVI)
 - (m) Restated consolidated statement of other income (Annexure XVII)
 - (n) Restated consolidated statement of other expenses (Annexure XVIII)
 - (o) Restated consolidated statement of finance cost (Annexure XIX)
 - (p) Restated consolidated statement of provision for taxes (Annexure XX)
 - (q) Restated consolidated statement of contingent liabilities (Annexure XXI)
 - (r) Restated consolidated statement of related parties (Annexure XXII)
 - (s) Statement of restated consolidated accounting ratios (Annexure XXIII)
 - (t) Restated consolidated capitalisation statement (Annexure XXIV)
 - (u) Restated consolidated statement of dividend paid (Annexure XXV)
7. In our opinion, the other financial information read with the notes on material adjustments (Annexure IV A) and with the significant accounting policies in Annexure IV B are prepared in accordance with the requirements of the Act and of the Regulations.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous reports issued by us nor should it be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our written consent.

Sharp & Tannan
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 038332
Mumbai
27 July 2015

LARSEN & TOUBRO INFOTECH LIMITED
ANNEXURE I : RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES
₹ Million

Particulars	Annexures	As at 31 March				
		2015	2014	2013	2012	2011
EQUITY AND LIABILITIES						
<i>Shareholders' funds</i>						
Share capital	V	161.25	161.25	161.25	161.25	161.25
Reserves and surplus	VI	20,102.23	15,941.68	13,226.74	10,892.35	11,196.48
Total equity		20,263.48	16,102.93	13,387.99	11,053.60	11,357.73
Minority interest		3.88	1.98	1.21	-	-
<i>Non-current liabilities</i>						
Long-term borrowings	VII	138.89	266.29	361.90	452.22	-
Deferred tax liabilities	VIII	238.03	413.85	207.20	118.28	27.42
Other long-term liabilities	IX	538.35	729.11	1,256.88	2,022.19	815.66
Long-term provisions	IX	103.71	131.06	94.30	51.25	36.23
		1,018.98	1,540.31	1,920.28	2,643.94	879.31
<i>Current liabilities</i>						
Short-term borrowings	X	1,897.48	700.70	1,853.88	2,179.62	2,157.23
Current maturities of long-term borrowings	X	138.89	133.14	120.63	56.53	-
Trade payables	XI	2,719.47	2,414.80	2,065.18	2,015.02	2,079.83
Other current liabilities	XI	1,723.48	3,735.89	2,520.34	1,712.33	836.66
Short-term provisions	XI	2,815.44	2,376.64	1,786.04	1,618.44	2,127.06
		9,294.76	9,361.17	8,346.07	7,581.94	7,200.78
TOTAL EQUITY AND LIABILITIES		30,581.10	27,006.39	23,655.55	21,279.48	19,437.82
ASSETS						
<i>Non-current assets</i>						
<i>Fixed assets</i>						
Tangible assets		2,749.82	2,794.65	2,449.87	2,263.44	1,718.90
Intangible assets		4,084.52	3,693.11	4,540.84	4,058.70	3,514.13
Capital work-in-progress		53.33	94.43	483.22	100.55	82.84
Intangible assets under development		198.45	472.74	940.34	975.15	679.68
		7,086.12	7,054.93	8,414.27	7,397.84	5,995.55
Non-current investments	XII	-	-	-	20.00	60.39
Deferred tax assets	VIII	10.29	1.89	59.07	21.30	58.06
Long-term loans and advances	XIII	2,439.79	2,534.84	1,931.57	1,366.79	1,794.73
		9,536.20	9,591.66	10,404.91	8,805.93	7,908.73
<i>Current assets</i>						
Current investments	XIV	1,035.51	1,687.77	486.63	570.51	1,031.39
Inventory		-	-	-	-	3.08
Trade receivable	XV	10,901.16	9,309.86	7,410.52	6,845.50	5,260.25
Unbilled revenue	XVI	1,544.50	1,194.16	1,333.45	895.05	1,177.61
Cash and bank	XVI	2,009.21	1,589.11	1,193.72	1,321.09	1,462.41
Short-term loans and advances	XVI	5,554.52	3,633.83	2,826.32	2,841.40	2,594.35
		21,044.90	17,414.73	13,250.64	12,473.55	11,529.09
TOTAL ASSETS		30,581.10	27,006.39	23,655.55	21,279.48	19,437.82

As per our report attached
SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership No: 038332
Mumbai
Date: July 27, 2015

LARSEN & TOUBRO INFOTECH LIMITED
ANNEXURE II : RE STATED CONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES

₹ Million						
Particulars	Annexures	2014-15	2013-14	2012-13	2011-12	2010-11
Income						
Revenue from operations		49,780.36	49,204.98	38,514.39	31,820.15	23,911.76
Other income	XVII	915.00	(833.18)	221.04	95.84	715.11
Total income		50,695.36	48,371.80	38,735.43	31,915.99	24,626.87
Expenses						
Employee benefit expenses	XVIII	29,242.73	27,581.57	22,485.93	18,635.30	14,485.50
Operating expenses	XVIII	4,885.63	4,891.51	2,920.00	2,575.28	2,217.97
Sales, administration and other expenses	XVIII	5,607.43	5,259.07	4,403.55	3,711.94	3,270.19
		39,735.79	37,732.15	29,809.48	24,922.52	19,973.66
Operating profit		10,959.57	10,639.65	8,925.95	6,993.47	4,653.21
Finance cost	XIX	104.19	305.34	208.12	342.42	96.48
Depreciation on tangible assets		741.55	589.03	508.88	449.80	406.28
Amortisation of intangible assets		837.85	710.72	722.80	598.83	400.47
		1,683.59	1,605.09	1,439.80	1,391.05	903.23
Profit before extraordinary items and tax		9,275.98	9,034.56	7,486.15	5,602.42	3,749.98
Profit from continuing operations before tax		9,266.26	8,541.36	6,778.37	5,602.42	3,749.98
Tax expense for continuing operations						
Current tax	XX	1,630.45	1,681.03	1,631.00	1,289.27	641.48
Deferred tax		35.76	261.85	46.99	119.79	(54.27)
		1,666.21	1,942.88	1,677.99	1,409.06	587.21
Profit from continuing operations after tax		7,600.05	6,598.48	5,100.38	4,193.36	3,162.77
Profit from discontinued operations before tax	IV C (6)	9.72	493.20	707.78	-	-
Tax expense for discontinuing operations						
Current tax	XX	1.69	129.25	191.54	-	-
		8.03	363.95	516.24	-	-
Profit from discontinued operations after tax		8.03	363.95	516.24	-	-
Profit for the year before minority interest		7,608.08	6,962.43	5,616.62	4,193.36	3,162.77
Minority interest		1.90	0.77	0.55	-	-
Net profit before extraordinary item		7,606.18	6,961.66	5,616.07	4,193.36	3,162.77
Extraordinary item (net of tax)	IV (C) (6)	79.08	3,002.42	-	-	-
Net profit after tax before restatement adjustments		7,685.26	9,964.08	5,616.07	4,193.36	3,162.77
Restatement adjustments:						
Changes in accounting policies						
Amortisation of goodwill	IV (A) (i)	-	(85.08)	137.06	132.89	107.77

Particulars	Annexures	2014-15	2013-14	2012-13	2011-12	2010-11
Provision for tax	IV (A) (ii)	-	-	-	(6.39)	6.39
Amortisation of cost of long-term projects	IV (A) (iii)	6.35	9.52	(15.87)	11.62	33.08
		6.35	(75.56)	121.19	138.12	147.24
Extraordinary item						
Goodwill written off	IV (A) (i)	-	(605.10)	-	-	-
Net profit before extraordinary item as restated		7,612.53	6,886.10	5,737.26	4,331.48	3,310.01
Extraordinary item (net of tax) as restated		79.08	2,397.32	-	-	-
Net profit after tax as restated		7,691.61	9,283.42	5,737.26	4,331.48	3,310.01

As per our report attached
SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership No: 038332
Mumbai
Date: July 27, 2015

LARSEN & TOUBRO INFOTECH LIMITED
ANNEXURE III: RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS
₹ Million

	Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
A.	Cash flow from operating activities					
	Net profit before tax as restated (excluding extraordinary items)	9,282.33	8,959.00	7,607.34	5,740.54	3,897.22
	Adjustments for:					
	Depreciation and amortisation	1,579.41	1,384.83	1,094.62	915.74	698.98
	Employees stock options amortised	-	2.28	7.38	19.21	43.03
	Interest (net)	33.42	27.26	67.70	26.66	(0.35)
	Unrealised foreign exchange loss (gain)	(568.72)	(516.63)	(202.23)	(375.36)	(444.51)
	(Profit) on sale of current investments	(141.26)	(79.58)	(103.75)	(87.03)	(106.66)
	Diminution in value of investment	-	-	-	-	0.03
	(Profit)/loss on sale of fixed assets	7.18	(1.81)	(2.98)	(3.32)	(12.23)
	Translation reserve	(80.26)	51.72	524.13	(403.14)	75.45
	Operating profit before working capital changes	10,112.10	9,827.07	8,992.21	5,833.30	4,150.96
	Changes in working capital					
	(Increase)/decrease in trade receivables	(1,979.71)	(1,906.36)	(1,048.97)	(1,217.42)	(973.39)
	(Increase)/decrease in inventory	-	-	-	3.08	0.19
	(Increase)/decrease in other receivables	(107.57)	(833.78)	470.82	(266.73)	(605.55)
	Increase/(decrease) in trade & other payables	1,164.84	1,332.60	(241.25)	79.21	1,260.40
	(Increase)/decrease in working capital	(922.44)	(1,407.54)	(819.40)	(1,401.86)	(318.35)
	Cash generated from operations	9,189.66	8,419.53	8,172.81	4,431.44	3,832.61
	Direct taxes paid	(2,767.12)	(2,140.92)	(2,096.32)	(1,068.26)	(738.53)
	Net cash from operating activities before extraordinary items	6,422.54	6,278.61	6,076.49	3,363.18	3,094.08
B.	Cash flow from investing activities					
	Purchase of fixed assets	(1,964.04)	(1,183.28)	(2,535.83)	(1,638.52)	(3,758.50)
	Sale of fixed assets	25.13	233.62	56.47	44.47	57.58
	(Purchase)/sale of current investments (net)	793.52	(1,121.56)	207.63	588.29	616.10
	Interest received	22.81	74.91	29.98	34.59	67.16
	Net cash used in investing activities before extraordinary items	(1,122.58)	(1,996.31)	(2,241.75)	(971.17)	(3,017.66)
	Extraordinary item					
	Proceeds from sale of PES Business(net)	93.95	3,799.62	-	-	-
	Net cash used in investing activities after extraordinary items	(1,028.63)	1,803.31	(2,241.75)	(971.17)	(3,017.66)
C.	Cash flow from financing activities					
	Proceeds from/(repayment) of borrowings	1,013.23	(1,228.66)	(377.21)	488.31	1,489.98
	Interest paid	(56.23)	(102.17)	(97.68)	(61.25)	(66.81)
	Dividend paid	(4,805.25)	(5,514.75)	(3,031.50)	(2,547.75)	(1,515.75)
	Tax on dividend paid	(1,125.56)	(840.95)	(456.93)	(412.64)	(304.89)
	Proceeds from issue of shares to minority shareholders	-	-	1.21	-	-
	Net cash from financing activities	(4,973.81)	(7,686.53)	(3,962.11)	(2,533.33)	(397.47)
	Net increase in cash and cash equivalents	420.10	395.39	(127.37)	(141.32)	(321.05)
	Cash and cash equivalents at 31 March of previous year	1,589.11	1,193.72	1,321.09	1,462.41	1,783.46

	Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
	Cash and cash equivalents at 31 March	2,009.21	1,589.11	1,193.72	1,321.09	1,462.41

Notes:

1. Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 : "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.
2. Purchase of fixed assets includes movements of capital work-in-progress between the beginning and end of the year.
3. Cash and cash equivalents represent cash and bank balances.
4. Bank balances include revaluation loss/(gain) as follows:

	₹ Million				
Year	2014-15	2013-14	2012-13	2011-12	2010-11
Revaluation loss/(gain)	2.73	(65.45)	(37.01)	(87.37)	16.53

As per our report attached
SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership No: 038332
Mumbai
Date: July 27, 2015

Annexure IV: Notes to Restated Consolidated Summary Financial Statements

Annexure IV A: Notes on material adjustments

Change in accounting policy

- (i) Goodwill arising on acquisition and consolidation as per Accounting Standard (AS) 21 “Consolidated Financial Statements” is tested for impairment at every balance sheet date. The Company was amortising goodwill over a period of ten years upto March 31, 2013. During the year ended March 31, 2014, the Company revised its accounting policy of amortisation of goodwill for more appropriate presentation of financial statements. Accordingly, the goodwill is tested for impairment at every balance sheet date. Consequently, in restated financial statements, the Company has credited ₹ 312.45 Mn to the opening profit & loss account as on April 01, 2010, being the amount of goodwill amortised till March 31, 2010. Further the Company has credited ₹ 107.77 Mn for the year ended March 31, 2011, ₹ 132.89 Mn for the year ended March 31, 2012, ₹137.06 Mn for the year ended March 31, 2013, and debited ₹ 85.08 Mn for the year ended March 31, 2014, to respective restated statement of profit and loss.

In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully. During the year ended March 31, 2014, the Company had written off unimpaired goodwill on consolidation of GDA Technologies Inc. to the statement of profit and loss. As a result of restatement of amortisation as above, the amount of unimpaired goodwill of ₹ 986.18 Mn. has been written off to the restated statement of profit and loss and disclosed as an extra-ordinary item. (Refer annexure IV C (6)).

- (ii) During the year ended March 31, 2012, our subsidiary, L&T Infotech Financial Services Technologies Inc. revised its policy of accounting of income taxes for more appropriate presentation of financial statements. Accordingly, the income taxes are recognised using future income taxes method. Consequently, the restatement resulted in increase in profit by ₹ 6.39 Mn for FY 2010-11 and decrease in profit by ₹ 6.39 Mn for FY 2011-12.
- (iii) The cost incurred on long term projects mainly comprise of legal and employee related costs to secure long term projects. The Company was amortising the cost over the period of two years from the year in which it was incurred. The Company revised its accounting policy for amortisation of cost incurred for long term projects and the same is charged to the statement of profit and loss in the year in which it was incurred for more appropriate presentation of financial statements. Consequently in restated financial statement, the Company has debited ₹ 44.71 Mn to opening profit and loss as on 1 April 2010. Further, the Company has credited ₹ 33.08 Mn for the year ended 31 March 2011, ₹ 11.62 Mn for the year ended 31 March 2012, debited ₹ 15.87 Mn for the year ended 31 March 2013, credited ₹ 9.52 for the year ended 31 March 2014 and ₹ 6.35 Mn for the year ended 31 March 2015, to respective restated statement of profit and loss.

Annexure IV B: Significant accounting policies

1. Preparation of financial statements

The restated consolidated financial statements are prepared from the audited financials of the years ending 31 March 2015, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, in accordance with the requirements of section 26 of the Companies Act, 2013 (‘the Act’) read with Companies (Prospectus and Allotment Securities) Rules, 2014 (‘the Rules’) and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 as amended (‘the Regulations’).

2. Principles of consolidation

- a) The financial statements of the Parent Company and its subsidiaries have been consolidated on line-by-line basis by adding together the book values of the like items of the assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealised profits/losses on intra-group transactions, and are presented to the extent possible, in the same manner as the Parent Company’s independent financial statements.

- b) Minority interest in the net assets of subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investment is made by company in the subsidiary company and further movements in their share in the equity, subsequent to the date of investment.
- c) Goodwill on consolidation represents the difference between the Group's share in the net worth of a subsidiary and the cost of acquisition at each point of time of making the investment in the subsidiary as per Accounting Standard (AS) 21 "Consolidated Financial Statements". For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill arising on consolidation as per Accounting Standard (AS) 21 "Consolidated Financial Statements" is tested for impairment at every balance sheet date. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

3. Extraordinary items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

4. Revenue recognition

- a) Revenue from contracts priced on time and material basis are recognised when services are rendered and related costs are incurred.

Revenue from services performed on "fixed-price" basis is recognised using the proportionate completion method.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

b) Other income

- i. Interest income is accrued at applicable interest rate.
- ii. Dividend income is accounted in the period in which the right to receive the same is established.
- iii. Other items of income are accounted as and when the right to receive arises.

5. Employee benefits

a) Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short-term compensated absences and performance incentives are recognised in the period in which the employee renders the related service.

b) Post-employment benefits

- i) Defined contribution plan:

The Company's superannuation fund and state governed provident fund scheme are classified as defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employee renders the related service.

ii) Defined benefit plans:

The provident fund scheme managed by trust, employees gratuity fund scheme managed by LIC and post-retirement medical benefit scheme are the Company's defined benefit plans. Wherever applicable, the present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government bonds as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the statement of profit and loss. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense on a straight-line basis over the average period until the benefits become vested.

(iii) Long-term employee benefits:

The obligation for long-term employee benefits like long-term compensation absences is recognised in the similar manner as in the case of defined benefit plans as mentioned in (b) (ii) above.

6. Fixed assets

Tangible

Fixed assets are stated at cost less accumulated depreciation.

Intangible

Assets like customer relationship, computer software and internally developed software are stated at cost, less accumulated depreciation and amortisation.

Goodwill on acquisition represents the cost of acquired businesses in excess of the fair value of net identifiable assets acquired. Goodwill is tested for impairment if events or changes in circumstances indicate that an impairment loss may have occurred.

7. Investments

Long-term investments are stated at cost, less provision for other than temporary diminution in value, if any. Current investments are stated at the lower of cost or market value, determined on the basis of specific identification.

8. Inventory

Inventory consists of boards and related parts held for sale to customer. Inventory is stated at the lower of cost, determined using the first-in, first-out method, or market. The Company has provided a provision for obsolete inventory, which it believes will not be sold.

9. Leases

Finance lease

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value and the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Operating lease

Assets acquired under lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on accrual basis.

10. Depreciation

A. Indian Companies :

I. Tangible - owned assets

For the year ending 31 March 2015, depreciation on assets has been provided based on useful life prescribed in schedule II to the Companies Act, 2013 except for the leasehold improvements which is depreciated over the lease period.

Depreciation / amortisation on additions / disposals are calculated pro-rata from / to the month of additions / disposals.

For the years ending 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, depreciation on all assets is calculated using straight line method at rates prescribed by schedule XIV to the Companies Act, 1956, except for the following:

☐	Plant and machinery	4.75%-20%
☐	Computers	20%-30%
☐	Servers	25%
☐	Furniture and fixtures	10-20%
☐	Office equipment	20%-33.33%
☐	Motor cars	14.14%

II. Tangible - leased assets

Assets acquired under finance leases are depreciated at the rates applicable to similar assets owned by the Company as there is reasonable certainty that the Company shall obtain ownership of the assets at the end of the lease term.

Leasehold land	Over the residual period of the lease

B. Foreign Subsidiaries

Depreciation has been provided on methods and at the rates required/permissible by the local laws so as to write off the assets over their useful life.

11. Intangible Assets and amortisation

The basis of amortisation of intangible assets is as follows:

☐	Computer software	Over a period of 3 years
☐	Intellectual property rights (IPR)	Over a period of 3 years
☐	Acquired software	Over a period of 10 years
☐	Internally developed software	Over a period 1 to 5 years
☐	Business rights	Over a period of 5 years
☐	Customer contracts	Over a period of 10 years

12. Employee stock ownership schemes

In respect of stock options granted pursuant to the Company's stock option schemes, the excess of fair value of the share over the exercise price of the option is treated as discount and accounted as employee compensation cost over the vesting period.

13. Foreign currency transactions

- a) Foreign currency transactions are initially recorded at the rates prevailing on the date of the transaction. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Translation of foreign currency transaction of overseas branches & subsidiaries is as under:

- Revenue items at the average rate for the period;
- Fixed assets and investments at the rates prevailing on the date of the transaction; and
- Other assets and liabilities at year end rates

Exchange difference on settlement / year end conversion is adjusted to statement of profit and loss.

- b) Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitments or of highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly. Exchange differences arising on such contracts are recognised in the period in which they arise and the premium paid / received is accounted as expense / income over the period of the contract.

Profit or loss on such forward contracts is accounted as income or expense for the period.

- c) All the other derivative contracts, including forward contracts entered into to hedge foreign currency risks on unexecuted firm commitments and highly probable forecast transactions are recognised in the financial statements at fair value as on the balance sheet date. In pursuance of the announcement of the Institute of Chartered Accountants of India (ICAI) dated March 29, 2008 on accounting of derivatives, the Company has adopted Accounting Standard 30 for applying the test of hedge effectiveness of the outstanding derivative contracts. Accordingly, the resultant gains or losses on fair valuation of such contracts are recognised in the statement of profit and loss or balance sheet as the case may be.

14. Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred tax is recognised on timing differences between the income accounted in financial statements and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Other deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Foreign Subsidiaries

Foreign Subsidiaries recognise current tax/ deferred tax liabilities and assets in accordance with the applicable local laws.

15. Borrowing costs

Borrowing costs include interest, commitment charges, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

16. Provisions, contingent liabilities and contingent assets

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event;
- b) a probable outflow of resources is expected to settle the obligation; and
- c) the amount of the obligation can be reliably estimated

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

- a) a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation; or
- b) a possible obligation unless the probability of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

17. Segment accounting

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- a) Segment revenue includes sales and other income directly identifiable with/allocable to the segment.
- b) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. Expenditure which relate to the Company as a whole and not allocable to segments are included under “unallocable corporate expenditure”.
- c) Income which relates to the Company as a whole and not allocable to segments is included in “unallocable corporate income”.
- d) Fixed assets used and liabilities contracted for performing the Company’s business have not been identified to any of the reported segments as the fixed assets and services are used interchangeably among segments.

18. Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- i. transactions of a non-cash nature
- ii. any deferrals or accruals of past or future operating cash receipts or payments; and
- iii. items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the cash flow statement.

19. Basis of preparation

The Consolidated financial statements (CFS), comprising the Company and its subsidiaries, are prepared in accordance with Accounting Standard (AS) 21 – “Consolidated Financial Statements” as specified by the Companies (Accounting Standards) Rules, 2014. Reference in these notes to “the Company” shall mean Larsen & Toubro Infotech Limited and “the Group” shall mean the Company and its subsidiaries.

20. The list of subsidiaries included in the consolidated financial statements is as under:-

	Name of the subsidiary company	Country of incorporation	Proportion of ownership as at March 31 (%)				
			2015	2014	2013	2012	2011
1	Larsen & Toubro Infotech Canada Ltd.	Canada	100	100	100	100	100
2	Larsen & Toubro Infotech GmbH	Germany	100	100	100	100	100
3	GDA Technologies Inc.*	USA	-	-	100	100	100
4	Larsen & Toubro Infotech LLC	USA	100	100	100	100	100
5	L&T Infotech Financial Services Technologies Inc.**	Canada	100	100	100	100	100
6	Larsen And Toubro Infotech South Africa (Proprietary) Limited***	South Africa	74.9	74.9	74.9	-	-
7	L&T Information Technology Services (Shanghai) Co. Limited^	China	100	100	-	-	-
8	GDA Technologies Limited^^	India	100	100	100	100	100
9	Information Systems Resource Centre Private Limited#	India	100	-	-	-	-

* The company has been dissolved with effect from 28 March 2014.

** L&T Infotech Financial Services Technologies Inc. was formed in the year 2010-11 by purchase of business of providing Information technology Platform from Citigroup Fund Services (CFSC) Inc.

*** On 25 July 2012, the company has acquired equity share capital of Larsen And Toubro Infotech South Africa (Proprietary) Limited.

^ On 28 June 2013, the company was formed in People’s Republic of China.

^^ The Company has purchased shares of GDA Technologies Limited from GDA Technologies Inc. in during FY 2013-14, subsequently, GDA Technologies Limited has become direct subsidiary with effect from 3 February 2014.

Information Systems Resource Centre Private Limited was acquired on October 16, 2014, consequent to which, it became wholly owned subsidiary of the Company.

21. Additional disclosure as per schedule III of the Companies Act, 2013.

₹ Million

Name of the entity	FY 2014-15			
	Net assets, i.e total assets minus total liabilities		Share in profit	
	As % of amount consolidated net assets	Amount	As % of consolidated profit or loss	Amount
A- Parent				
-Larsen & Toubro Infotech Limited	93.45%	18,936.05	100.58%	7,729.62
Subsidiaries				
B - Indian				

Name of the entity	FY 2014-15			
	Net assets, i.e total assets minus total liabilities		Share in profit	
	As % of amount consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1. GDA Technologies Limited	1.73%	349.70	0.21%	16.10
2. Information Systems Resource Centre Private Limited	0.14%	27.36	0.36%	27.36
Sub total	1.86%	377.06	0.57%	43.46
C-Foreign				
1. Larsen & Toubro Infotech GmbH	1.10%	223.87	0.41%	31.47
2. Larsen & Toubro Infotech Canada Ltd.	0.35%	70.10	0.12%	9.37
3. Larsen & Toubro Infotech LLC	0.49%	100.15	0.15%	11.51
4. L&T Infotech Financial Services Technologies Inc.	2.74%	555.20	-1.83%	(140.94)
5. Larsen And Toubro South Africa (Proprietary) Limited	0.05%	13.49	0.10%	7.58
6. L&T Information Technology Services (Shanghai) Co. Limited	-0.04%	(8.56)	-0.06%	(4.91)
Sub total	4.71%	954.25	-1.12%	(85.92)
Total A+B+C	100.02%	20,267.36	100.02%	7,687.16
Less: Minority interest in subsidiaries	0.02%	3.88	0.02%	1.90
Total	100%	20,263.48	100%	7,685.26
Add: Restatement adjustment				6.35
Total restated amount				7,691.61

Annexure IV C: Other notes on accounts:

- Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is as follows:

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Estimated amount	312.83	269.43	167.44	234.59	230.48

- In line with the Company's financial risk management policy, financial risks relating to changes in the exchange rates are hedged by using a combination of forward and options contracts, besides the natural hedges. The loss on fair valuation of the derivative contracts which are designated and are effective as hedges, has been accounted in retained earnings in balance sheet as follows:

	₹ Million				
	2014-15	2013-14	2012-13	2011-12	2010-11
Loss on fair valuation	366.96	2,923.11	2,694.38	2,663.11	658.42

The loss/ (gain) on settlement of the options/forwards is recognised in statement of profit and loss as follows:

	₹ Million				
	2014-15	2013-14	2012-13	2011-12	2010-11
Loss/(gain) on settlement	(243.04)	1,839.30	747.27	1,074.47	(179.27)

The particulars of derivative contracts entered into for hedging foreign currency risks outstanding as at March 31, are as under:

₹ Million						
Sr.	Category of derivative instruments	Notional amount				
		As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
a)	Forward contracts for receivables	58,583.85	29,493.37	34,906.68	24,887.27	16,516.52
b)	Option contracts	-	480.00	1,954.26	3,663.00	5,351.40

Un-hedged foreign currency exposures as at March 31 are as under:

₹ Million						
Sr.	Un-hedged foreign currency exposures	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
1	Receivables including firm commitments and highly probable forecast transactions	30,013.24	49,989.21	36,877.48	41,528.92	24,612.73
2	Payables including firm commitments and highly probable forecast transactions	24,474.93	33,388.42	30,283.47	28,868.62	18,455.74

- The Company has made provision, as required under the applicable law or accounting standard for material foreseeable losses on long term derivative contracts

4. Leases

Finance leases

In accordance with Accounting Standard 19 “Leases” issued by the Institute of Chartered Accountants of India, the assets acquired under finance leases on or after April 1, 2001 are capitalised and a loan liability is recognised for an equivalent amount. Consequently depreciation is provided on such leases. Lease rentals paid are allocated to the liability and the interest is charged to statement of profit and loss.

Operating leases

The Company has taken employee used cars under non-cancellable operating leases. The rental expense in respect of operating leases and the future rentals payable are as follows:

₹ Million					
	2014-15	2013-14	2012-13	2011-12	2010-11
Rental expense of operating lease	134.79	179.63	108.18	23.92	39.05
Minimum lease payments					
- Payable not later than 1 year	73.43	167.38	147.27	158.75	115.95
- Payable after 1 year but not later than 5 years	474.16	865.59	442.80	202.92	399.91
Total	547.59	1,032.97	590.07	361.67	515.86

5. Segmental reporting

The Company had 3 business segments. **Services cluster** includes Banking & Financial services, Insurance, Media & Entertainment, Travel & Logistics and Healthcare. **Industrials cluster** includes Hi Tech and Consumer Electronics, Consumer, Retail & Pharma, Energy & Process, Automobile & Aerospace, Plant Equipment & Industrial Machinery, Utilities and Engineering & Construction. Telecom segment refers to Product Engineering Services (PES) which is a part of discontinued business (refer annexure IV C (6)). The Company has presented its segment results accordingly.

- Revenues represented along industry classes comprise the primary basis of segmental information set out in these financial statements. The revenue and operating profit by segment is as under:

	₹ Million				
	2014-15	2013-14	2012-13	2011-12	2010-11
Revenue					
Services cluster	26,289.89	22,448.97	17,669.51	14,323.82	9,571.46
Industrials cluster	23,391.05	22,902.67	16,609.06	13,706.94	10,954.02
Telecom	99.42	3,853.34	4,235.82	3,789.39	3,386.28
Revenue from Operations	49,780.36	49,204.98	38,514.39	31,820.15	23,911.76
Segmental profit					
Services cluster	5,456.21	4,907.64	4,095.59	4,168.49	2,501.34
Industrials cluster	6,123.58	7,477.77	5,378.29	4,230.44	2,989.08
Telecom	9.72	856.31	1,254.71	1,126.75	757.08
Segmental operating profit	11,589.51	13,241.72	10,728.59	9,525.68	6247.50
Unallocable expenses (net)	1,544.94	1,768.89	2,023.68	2,628.05	2,309.40
Other income	915.00	(833.18)	221.04	95.84	715.11
Operating profit	10,959.57	10,639.65	8,925.95	6,993.47	4,653.21
Finance cost	104.19	305.34	208.12	342.42	96.48
Depreciation	741.55	589.03	508.88	449.80	406.28
Amortisation of intangible assets	837.85	710.72	722.80	598.83	400.47
Profit before extraordinary items and tax	9,275.98	9,034.56	7,486.15	5,602.42	3,749.98
Restatement adjustments	6.35	(75.56)	121.19	138.12	147.24
Restated profit before extraordinary items and tax	9,282.33	8,959.00	7,607.34	5,740.54	3,897.22

(ii) Segmental reporting of revenues on the basis of the geographical location of the customers is as under:

	2014-15			2013-14			2012-13			2011-12	2010-11
	Continuing business	Discontinued business	Total	Continuing business	Discontinued business	Total	Continuing business	Discontinued business	Total		
North America	34,097.77	-	34,097.77	30,533.28	1,771.37	32,304.65	23,958.31	1,834.22	25,792.53	21,796.72	15,995.37
Europe	8,862.74	99.42	8,962.16	9,151.48	336.41	9,487.89	6,266.61	107.58	6,374.19	5,137.05	3,857.47
Asia Pacific	1,199.12	-	1,199.12	1,161.06	982.37	2,143.43	788.03	1,358.72	2,146.75	1,801.30	1,543.64
India	2,075.90	-	2,075.90	1,530.53	760.45	2,290.98	1,252.25	924.27	2,176.52	2,112.21	1,500.83
Rest of the world	3,445.41	-	3,445.41	2,975.29	2.74	2,978.03	2,013.37	11.03	2,024.40	972.87	1,014.45
Revenue from operations	49,680.94	99.42	49,780.36	45,351.64	3,853.34	49,204.98	34,278.57	4,235.82	38,514.39	31,820.15	23,911.76

Fixed assets used and liabilities contracted for performing the Company's business have not been identified to any of the above reported segments as the fixed assets and services are used interchangeably among segments.

6. As part of business restructuring undertaken within Larsen & Toubro Group, it was decided to consolidate the engineering services businesses under a separate subsidiary of Larsen & Toubro Limited, called L&T Technology Services Limited (LTTSL). Pursuant to this, the Company initiated and completed the transfer of its Product Engineering Services (PES) Business Unit to LTTSL effective 1 January, 2014. The PES business was transferred by way of slump sale for total purchase consideration of ₹ 4,895.27 Mn based on fair valuation carried out by external chartered accountants. The purchase consideration was determined based on the Discounted Cash Flow (DCF) method of valuation of business. GDA Technologies Inc., USA (GDA Inc.), a wholly owned subsidiary of Larsen & Toubro Infotech Limited was a part of PES business with synergy in terms of the end customers they serve, primarily the semiconductor companies. Over last few years, the performance of GDA Inc. was affected due to the recession which impacted the end customers resulting in falling revenues and operational losses. Subsequent to the transfer of PES business, it was therefore decided to wind up this subsidiary. Accordingly, certain IP (Intellectual properties) owned by GDA Inc. were transferred to LTTSL at a fair valuation carried out by external chartered accountants.

The Indian subsidiary of GDA Inc. called GDA Technologies Limited, India was taken over by Larsen & Toubro Infotech Limited based on fair valuation carried out by external chartered accountants.

Consequently GDA Inc. was wound up in USA with effect from 28 March 2014.

The Company's subsidiary, Larsen & Toubro Infotech GmbH, also had PES business. PES business transfer in Germany was dependent upon LTTSL registering its branch in Germany. The German branch of LTTSL became operational in the month of May, 2014. Since valuation of PES business in Germany is required to be carried out as per German laws, Business Transfer Agreement was signed between Larsen & Toubro Infotech GmbH and LTTSL, for transfer of PES business in Germany effective September 1, 2014.

The PES business in Germany was transferred by way of slump sale for total purchase consideration of ₹ 129.20 Mn based on fair valuation carried out by external valuer based in Germany. The purchase consideration was determined based on the Discounted Cash Flow (DCF) method of valuation of business.

The following assets and liabilities have been transferred to L&T Technology Services Limited:

	2014-15		2013-14	
				₹ Million
Tangible assets				76.61
Intangible assets				26.47
Long term loans and advances				90.45
Current assets	45.96		1,126.04	
Current liabilities and provisions	(10.71)		(479.64)	
Net current assets		35.25		646.40
Total assets transferred		35.25		839.93
Less:				
Other long term liabilities		-		130.34
Hedging reserve		-		(389.15)
Net Assets transferred		35.25		1,098.74

The results of discontinued business are as under:

	For the period April 2014-August 2014	2013-14	2012-13
			₹ Million
Total revenues	99.42	3,853.34	4,235.82
Total expenses	(89.70)	(3,360.14)	(3,528.04)
Profit before taxes	9.72	493.20	707.78
Income taxes	(1.69)	(129.25)	(191.54)
Profit after tax	8.03	363.95	516.24

Extra -ordinary item

The above has given rise to extraordinary items being recognised in the financial statements

	₹ Million	
	2014-15	2013-14
a) Profit on sale of PES business unit to L&T Technology Services Limited	93.95	3,796.97
b) Goodwill arising out consolidation of GDA Technologies has been written off due to winding up of GDA technologies Inc.	-	(381.08)
c) Residual amount on winding up of GDA Technologies Inc.	-	2.65
d) Capital gains tax on extra ordinary items	(14.87)	(416.12)
e) Extra ordinary gain (net of tax)	79.08	3,002.42
f) Goodwill written off due to winding up of GDA Technologies Inc.	-	(605.10)
g) Net extra ordinary gain	79.08	2,397.32

- 7(i) During the year ended 31 March, 2011, the Company entered into an agreement with Citigroup Fund Services Canada (CFSC) Inc. to purchase its business of providing Information Technology platform. With this transaction, the Company acquired the IT platform to bolster its ability to provide end -to-end technology services to its clients. To give effect to this acquisition, a wholly owned subsidiary "CF L&T FTServ Financial Technologies Services Inc." was incorporated by CFSC Inc. under Canada Business Corporation Act and the company acquired 100% stake in the same for total cash consideration of ₹ 2,806.32 Mn on 1 January 2011. After acquisition the name of the company has been changed to "L&T Infotech Financial Services Technologies Inc."
- 7(ii) The Company has acquired equity share capital of Larsen And Toubro Infotech South Africa (Proprietary) Limited on 25 July 2012.
- 7(iii) The Company has formed a new entity "L&T Information Technology Services (Shanghai) Co. Limited" in People's Republic of China on 28 June 2013. Investment in this entity is not denominated in number of shares as per laws of the People's Republic of China.
- 7(iv) On October 16, 2014, the Company acquired entire share capital of Information Systems Resource Centre Private Limited ('ISRC'), thereby making it a wholly owned subsidiary. ISRC is engaged in software services with respect to application development, information technology support and maintenance services to OTIS Elevator Company Inc. (OTIS) and certain other group companies of OTIS, which are part of United Technologies Corporation (UTC) group. The Company believes that acquisition will strengthen its relationship with UTC group. The acquisition was executed through a share purchase agreement for a consideration of ₹ 806.96 Mn.

The Board of Directors of the Company and ISRC have approved the scheme of amalgamation of ISRC with the Company on October 17, 2014 and December 04, 2014, respectively, with October 17, 2014 as the appointed date. Accordingly, a petition for sanctioning the scheme of amalgamation has been filed with the Hon'ble High Court of Judicature at Bombay and approval from Hon'ble High Court is awaited.

Pending approval from the Hon'ble High Court, the financial statements of ISRC have been consolidated in line with Accounting Standard (AS) 21 "Consolidated Financial Statements". Consequently, goodwill of ₹ 614.56 Mn has been accounted in the books.

Annexure V: Restated consolidated statement of share capital
₹ Million

		As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
(a)	Authorised :	163.75	163.75	163.75	163.75	163.75
	32,750,000 equity shares of ₹5 each	-	-	-	-	-
	Issued, paid up and subscribed	-	-	-	-	-
	32,250,000 equity shares for ₹ 5 each	161.25	161.25	161.25	161.25	161.25
	EQUITY SHARE CAPITAL	161.25	161.25	161.25	161.25	161.25

The Company has split shares of face value of ₹5 to face value of ₹ 1 on 22 June 2015.

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

The amount of interim dividend distributed to equity shareholder was as follows:

	2014-15	2013-14	2012-13	2011-12	2010-11
Dividend per share	149	171	94	79	47

(c) Shareholders holding more than 5% of equity shares as at the end of the year:

All the equity shares are held by Larsen & Toubro Limited, the holding company

(d) Reconciliation of the number of equity shares & share capital

There was no movement in the number of equity shares during these five years.

(e) Shares reserved for issue under options outstanding as at the end of the year on un-issued share capital :

Particulars		As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
	Exercise Price	Number of equity shares of face value of ₹ 5 to be issued as fully paid				
#Employee stock options granted and outstanding under Employee Stock Ownership Scheme "ESOS Plan"	25	393,003	393,003	393,003	393,003	393,003
	10	1,873,467	1,880,484	2,155,197	2,179,953	2,203,092
Employees Stock Ownership Scheme – 2006 U.S. Stock Option Sub-Plan ('Sub-Plan')	\$12	90,100	90,100	90,100	90,100	83,700

Refer annexure no. V (h) (1)

(f) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2015 are Nil.

- (g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended March 31, 2015 – Nil.

(h) **Stock option plans**

1. Employee Stock Ownership Scheme ('ESOS Plan')

Under the Employee Stock Ownership Scheme (ESOS), options outstanding are as follows:

Year	2014-15	2013-14	2012-13	2011-12	2010-11
Number of options	2,266,470	2,273,487	2,548,200	2,572,956	2,596,095

The grant of options to the employees under ESOS is on the basis of their performance and other eligibility criteria. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 5 each.

All vested options can be exercised on the first exercise date as may be determined by the Compensation Committee prior to date of IPO. The details of the grants under the aforesaid scheme are summarised below:-

ESOP Series		I,II & III				
		2014-15	2013-14	2012-13	2011-12	2010-11
1	Grant price (₹)	25	25	25	25	25
2	Options granted and outstanding at the beginning of the year	393,003	393,003	393,003	393,003	393,003
3	Options granted during the year	-	-	-	-	-
4	Options cancelled/ lapsed during the year	-	-	-	-	-
5	Options exercised and shares allotted during the year	-	-	-	-	-
6	Options granted and outstanding at the end of the year	393,003	393,003	393,003	393,003	393,003
	of which -					
	Options vested	393,003	393,003	393,003	393,003	393,003
	Options yet to vest	-	-	-	-	-

ESOP Series		IV-XXI				
		2014-15	2013-14	2012-13	2011-12	2010-11
1	Grant price (₹)	10	10	10	10	10
2	Options granted and outstanding at the beginning of the year	1,880,484	2,155,197	2,179,953	2,203,092	2,191,456
3	Options granted during the year	-	-	-	-	35,000
4	Options cancelled/ lapsed during the year	7,017	274,713	24,756	23,139	23,364
5	Options exercised and shares allotted during the year	-	-	-	-	-
6	Options granted and outstanding at the end of the year	1,873,467	1,880,484	2,155,197	2,179,953	2,203,092
	of which -					
	Options vested	970,917	970,917	970,917	970,917	970,917

	ESOP Series	IV-XXI				
		2014-15	2013-14	2012-13	2011-12	2010-11
	Options yet to vest	902,550	909,567	1,184,280	1,209,036	1,232,175

2. Employees Stock Ownership Scheme – 2006 U.S. Stock Option Sub-Plan (‘Sub-Plan’)

The Company had instituted the Employees Stock Ownership Scheme – 2006 U.S. Stock Option Sub-Plan (‘Sub-Plan’) for the employees and Directors of its erstwhile subsidiary, GDA Technologies, Inc, USA. The term of option was 5 years from the date of grant. As per vesting schedule, the options had to vest over a period of five years, subject to fulfilment of certain conditions specified in the respective non-statutory stock option agreement. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 5 each at an exercise price of USD 12 per share. Under the said plan, options granted, outstanding and vested as at the end of the year are as follows:

Year	2014-15	2013-14	2012-13	2011-12	2010-11
Number of options	90,100	90,100	90,100	90,100	83,700

With effect from 1 April 2010 all employees of GDA Technologies Inc. have been transferred to the rolls of Larsen & Toubro Infotech Limited and deputed to GDA Technologies Inc. Hence the liability towards stock option amounting to ₹ 27.70 Mn (₹ 23.22 Mn transferred to general reserve and ₹ 4.48 Mn was charged to statement of profit and loss) was created in the books in FY 2010-11.

3. Employees stock options granted and outstanding as at the end of the year on unissued share capital represent options as follows:

Year	2014-15	2013-14	2012-13	2011-12	2010-11
Number of options	2,356,570	2,363,587	2,638,300	2,663,056	2,679,795

Annexure VI: Restated consolidated statement of reserves and surplus
₹ Million

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
1. General reserve					
As per last balance sheet	4,490.26	3,580.26	2,976.78	2,476.78	2,100.00
Less : ESOP liability of GDA Technologies Inc. charged to general reserve on transfer of employees to Larsen & Toubro Infotech Limited payroll	-	-	-	-	23.22
Add : transferred from statement of profit and loss	-	910.00	603.48	500.00	400.00
	4,490.26	4,490.26	3,580.26	2,976.78	2,476.78
2 Hedging reserve					
Opening balance	(2,923.11)	(2,694.39)	(2,663.11)	(658.42)	(595.85)
Deduction/(addition) during the year	2,556.14	(228.72)	(31.28)	(2,004.69)	(62.57)
	(366.97)	(2,923.11)	(2,694.39)	(2,663.11)	(658.42)
3 Security premium reserve	1,181.24	1,181.24	1,181.24	1,181.24	1,181.24
4 Profit and loss account					
Opening balance	12,223.28	10,301.84	8,695.73	7,825.32	6,682.82
Add: profit for the year	7,691.61	9,283.42	5,737.26	4,331.48	3,310.01
Less: depreciation charged against retained earnings	12.27	-	-	-	-
Add : deferred tax charged against retained earnings	2.17	-	-	-	-
	19,904.79	19,585.26	14,432.99	12,156.80	9,992.83
Less: appropriations					
(a) General reserve	-	910.00	603.48	500.00	400.00
(b) Interim dividend	4,805.25	5,514.75	3,031.50	2,547.75	1,515.75
(c) Tax on dividend	906.32	937.23	496.17	413.32	251.76
Balance to be carried forward	14,193.22	12,223.28	10,301.84	8,695.73	7,825.32
5 Foreign Currency Translation Reserve (FCTR)					
Opening Balance	631.60	521.65	372.95	62.01	(13.46)
Add: transfer	(365.53)	109.95	148.70	310.94	75.47
Closing balance	266.07	631.60	521.65	372.95	62.01
6 Employee stock options outstanding					
As per last balance sheet	338.41	338.41	338.74	339.07	278.68
Add: addition during the year	-	-	-	-	61.05
Less : deductions during the year	-	-	0.33	0.33	0.66
	338.41	338.41	338.41	338.74	339.07
7 Deferred employee compensation expense					
As per last balance sheet	-	(2.27)	(9.98)	(29.52)	(35.38)
Add: addition during the year	-	-	-	-	(61.05)
Less : deductions during the year	-	(2.27)	(7.71)	(19.54)	(66.91)
	-	-	(2.27)	(9.98)	(29.52)
RESERVES AND SURPLUS	20,102.23	15,941.68	13,226.74	10,892.35	11,196.48

Annexure VII : Restated consolidated statement of long-term borrowings
₹ Million

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Long-term borrowings					
Secured loans*					
Term loans from bank	138.89	266.29	361.90	452.22	-
	138.89	266.29	361.90	452.22	-

*Details of secured loans –long-term				
Nature of term loan	Rate of interest	Repayment terms	Prepayment charges	Security offered
External commercial borrowings (ECB)	USD LIBOR (3 months) + 2.5%	Repayable in equal half-yearly instalments of USD 1.11 million each commencing from 19 October 2012 and ending on 14 October 2016.	No charges applicable on prepayment	Secured against hypothecation of the Company's movable fixed assets

There are no long-term borrowings from related parties.

Annexure VIII : Restated consolidated statement of deferred tax

(i) Deferred tax liabilities

₹ Million

Particulars	Deferred tax asset/(liability)				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Deferred tax liabilities					
Depreciation / amortisation	(411.15)	(528.30)	(581.05)	(504.63)	(66.21)
Gain on derivative transactions	(304.09)	-	-	-	-
Branch profit tax	(323.40)	(234.68)	-	-	-
Total	(1,038.64)	(762.98)	(581.05)	(504.63)	(66.21)
Deferred tax assets					
Non capital losses and deferred expenses	234.65	296.44	-	-	-
Provision for doubtful debts and advances	7.19	3.04	-	-	-
Provision for employee benefits	60.50	49.64	-	-	0.57
Loss on derivative transactions	498.30	-	-	-	-
Others	(0.03)	0.01	373.85	386.35	38.22
Total	800.61	349.13	373.85	386.35	38.79
Net deferred tax liability	(238.03)	(413.85)	(207.20)	(118.28)	(27.42)

(ii) Deferred tax assets

₹ Million

Particulars	Deferred tax asset/(liability)				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Deferred tax liabilities					
Depreciation / amortisation	0.69	0.76	0.58	(28.25)	(41.08)
Allowance on Income received in advance	(2.27)	-	-	-	-
Others			(1.85)	(2.47)	(2.48)
Total	(1.58)	0.76	(1.27)	(30.72)	(43.56)
Deferred tax assets					
Provision for doubtful debts and advances	-	-	15.75	9.03	56.70
Provision for employee benefits	3.53	1.13	44.59	42.99	35.21
Income received in advance	2.34	-	-	-	-
Depreciation / amortisation	5.72	-	-	-	-
Others	0.28	-	-	-	9.71
Total	11.87	1.13	60.34	52.02	101.62
Net deferred tax assets	10.29	1.89	59.07	21.30	58.06

₹ Million

	2014-15	2013-14	2012-13	2011-12	2010-11
Amount charged to statement of Profit and loss	35.76	261.85	46.99	119.79	(54.27)
Charged to hedge reserve	194.21	-	-	-	-

Annexure IX : Restated consolidated statement of other long-term liabilities and long term provisions**(A) Other long-term liabilities**

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Forward contract payable	447.46	673.92	1,170.20	1,955.48	768.69
Other payables	90.89	55.19	86.68	66.71	46.97
	538.35	729.11	1,256.88	2,022.19	815.66

(B) Long-term provisions

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Provisions for employee benefits					
Post retirement medical benefits	103.71	88.63	90.69	42.10	36.23
Provision for interest rate guarantee(PF)	-	42.43	3.61	9.15	-
	103.71	131.06	94.30	51.25	36.23

Annexure X: Restated consolidated statement of short-term borrowings and current maturities of long-term borrowings

(A) Short-term borrowings

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Secured loans*					
Other loans from banks	600.00	26.86	1,093.97	1,411.45	589.33
Unsecured loans					
Other loans from banks	1,297.48	673.84	759.91	768.17	567.90
Inter corporate borrowings (holding company)					1,000.00
	1,897.48	700.70	1,853.88	2,179.62	2,157.23

₹ Million					
*Details of secured loans –short term					
Nature of term loan	Amount outstanding as on 31 March 2015	Rate of interest	Repayment terms	Prepayment charges	Security offered
Packing credit	100.00	9.5%	Full amount payable on maturity alongwith interest for the period. Prepayment charges will be subject to Bank's discretion	None	Secured against hypothecation of the Company's accounts receivable
	62.50	USD LIBOR (3 months) + 0.3%			
	125.00	USD LIBOR (1 month) + 0.3%			
	312.5	USD LIBOR (6 month) + 0.2%			

Except as at 31 March 2011, there are no short-term borrowings from holding company (subsequently repaid). There are no borrowings from other related parties.

(B) Current maturities of long-term borrowings

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Long-term borrowings					
Secured loans*					
Term loans from bank	138.89	133.14	120.63	56.53	-
	138.89	133.14	120.63	56.53	-

* Refer annexure VII for security and other terms and conditions of the loans.

There are no long-term borrowings from related parties.

Annexure XI: Restated consolidated statement of trade payables, other current liabilities and short-term provisions

(A) Trade payables

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Trade payables					
Due to holding company	174.22	188.25	573.43	360.02	507.76
Due to fellow subsidiaries	-	117.45	-	-	-
Due to others	2,545.25	2,109.10	1,491.75	1,655.00	1,572.07
	2,719.47	2,414.80	2,065.18	2,015.02	2,079.83

(B) Other current liabilities

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Forward contract payable	89.22	2,289.49	1,642.22	985.59	167.70
Interest accrued but not due on borrowings	2.41	2.29	2.96	4.10	
Other payables	1,631.85	1,444.11	875.16	722.64	668.96
	1,723.48	3,735.89	2,520.34	1,712.33	836.66

(C) Short-term provisions

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Provisions for employee benefits					
Gratuity	97.33	29.39	88.01	140.68	53.69
Compensated absences	455.72	396.65	333.13	269.89	236.37
Post retirement medical benefits	0.24	0.16	0.12	0.09	0.12
Others	2,236.75	1,765.32	1,353.62	1,186.09	939.40
	2,790.04	2,191.52	1,774.88	1,596.75	1,229.58
Other provisions					
Income-tax	14.70	174.42	0.46	10.99	886.78
Others*	10.70	10.70	10.70	10.70	10.70
Total	2,815.44	2,376.64	1,786.04	1,618.44	2,127.06

* Disclosure pursuant to Accounting Standard (AS) 29 "Provisions, Contingent Liabilities and Contingent Assets"

		As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
1	Provision for sales tax	4.00	4.00	4.00	4.00	4.00
2	Provision for others	6.70	6.70	6.70	6.70	6.70
	Total provision	10.70	10.70	10.70	10.70	10.70

Nature of provisions:

- i) Provision for sales tax pertains to claim made by the authorities on certain transaction of capital nature for the year 2002-03.
- ii) Provision for others represents liabilities relating to matters in dispute.

Annexure XII: Restated consolidated statement of investments

₹ Million

	As at 31-03- 2015	As at 31-03- 2014	As at 31-03- 2013	As at 31-03- 2012	As at 31-03- 2011
Trade investments (at cost)					
Long term investment					
100,000 fully paid equity shares of USD 1 (₹ 53) in Pan Health, USA	-	-	-	-	-
Non trade investments					
Investments in mutual funds	-	-	-	20.00	60.39
Total non current investments	-	-	-	20.00	60.39

Annexure XIII: Restated consolidated statement of long-term loans and advances**₹ Million**

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Considered good					
Premia on forward contracts	874.90	768.15	823.03	479.04	1,001.23
Deposits	372.39	378.28	207.53	290.29	238.85
Capital advances	6.64	42.10	82.19	12.15	46.34
Advance tax current year (net of provision)	35.65	-	-	-	-
Advances recoverable in cash or in kind	1,150.21	1,346.31	818.82	585.31	508.31
	2,439.79	2,534.84	1,931.57	1,366.79	1,794.73

There are no long-term loans and advances to related parties including directors and holding company.

Annexure: XIV: Restated consolidated statement of current investments**₹ Million**

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Investment in mutual funds	1,035.51	1,687.77	486.63	570.51	1,031.39

Details of quoted investments:**₹ Million**

Particulars	Amount As at 31-03-2015	Amount As at 31-03-2014	Amount As at 31-03-2013	Amount As at 31-03-2012	Amount As at 31-03-2011
Aggregate amount of quoted current investments and market value thereof					
Book value	1,035.51	1,687.77	486.63	570.51	1,031.76
Market value	1,037.02	1,706.11	487.98	577.02	1,031.39

Annexure XV : Restated consolidated statement of trade receivables

₹ Million

	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Trade receivables					
Unsecured					
Debts outstanding for a period exceeding six months					
Considered good	65.16	49.93	110.73	505.69	537.51
Considered doubtful	175.30	34.33	95.74	61.24	228.38
	240.46	84.26	206.47	566.93	765.89
Other debts					
Considered good					
- Due from fellow subsidiaries	87.91	-	28.09	17.19	62.03
- Others	10,748.09	9,259.93	7,271.70	6,322.62	4,660.71
	11,076.46	9,344.19	7,506.26	6,906.74	5,488.63
Less : Allowance for bad and doubtful debts	(175.30)	(34.33)	(95.74)	(61.24)	(228.38)
	10,901.16	9,309.86	7,410.52	6,845.50	5,260.25

There are no receivables from holding company and directors.

Annexure XVI : Restated consolidated statement of unbilled revenue, cash and bank and short-term loans and advances

(A) Unbilled revenue

Unbilled revenues comprise revenue recognised in relation to services performed in accordance with contract terms but not billed.

(B) Cash and bank balances

	₹ Million				
Cash and Bank	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Cash on hand	0.67	0.56	0.76	0.73	0.37
Balances with banks					
- in current accounts					
Overseas	1,078.30	843.10	647.93	650.14	454.39
Domestic	235.72	236.18	18.80	184.91	93.91
Remittances in transit	221.58	177.02	423.24	124.26	255.17
Fixed deposits (maturity less than 3 months)	125.57	212.89	1.18	148.50	445.99
	1,661.84	1,469.75	1,091.91	1,108.54	1,249.83
Other bank balance					
Fixed deposit with bank with more than 3 months but less than 12 months maturity	-	-	-	150.00	210.00
Cash and bank balance not available for immediate use*	347.37	119.36	101.81	62.55	2.58
	2,009.21	1,589.11	1,193.72	1,321.09	1,462.41

* Other bank balance not available for immediate use being in nature of security for guarantees issued by bank on behalf of the Company, collaterals etc.

(C) Short-term loans and advances

	₹ Million				
	As at 31-03-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011
Considered good					
Loans against mortgage of house property	0.10	0.20	0.54	0.23	0.42
Premia on forward contracts	1,723.63	1,146.85	594.63	1,025.41	168.09
Interest receivable	6.86	8.47	5.14	12.77	28.87
Deposits	126.43	59.61	147.31	37.14	67.96
Advance tax current year (net of provision)	163.04	6.71	27.06	20.33	-
Advances recoverable in cash or in kind					
-Considered good	3,534.46	2,411.99	2,051.64	1,745.52	2,329.01
-Considered doubtful	6.06	4.85	4.85	10.27	13.98
Less : Allowance for doubtful advances	(6.06)	(4.85)	(4.85)	(10.27)	(13.98)
	5,554.52	3,633.83	2,826.32	2,841.40	2,594.35

There are no short-term loans and advances given to related parties including directors and holding company.

Annexure XVII: Restated consolidated statement of other income**₹ Million**

	2014-15	2013-14	2012-13	2011-12	2010-11
Income from current investment in mutual funds	141.26	79.58	103.75	87.03	106.66
Profit on sale of fixed assets	-	1.81	2.98	3.32	12.23
Interest received	22.81	74.91	29.98	34.59	67.16
Foreign exchange gain/(loss)	667.81	(1,048.05)	(19.25)	(107.05)	480.62
Provision no longer required for doubtful debts	-	-	-	4.59	2.33
Miscellaneous income	83.12	58.57	103.58	73.36	46.11
	915.00	(833.18)	221.04	95.84	715.11

Annexure XVIII : Restated consolidated statement of other expenses

₹ Million

		2014-15	2013-14	2012-13	2011-12	2010-11
(A)	Employee benefit expenses					
	Salaries including overseas staff expenses	28,056.30	26,246.94	21,323.31	17,467.94	13,549.39
	Staff welfare	799.93	938.79	759.82	696.97	605.62
	Contribution to provident and other funds	249.93	320.42	252.37	233.69	183.79
	Contribution to superannuation fund	44.71	38.67	56.35	89.94	86.92
	Contribution to gratuity fund	91.86	36.75	94.08	146.76	59.78
		29,242.73	27,581.57	22,485.93	18,635.30	14,485.50
(B)	Operating expenses					
	Communication expenses	168.11	176.54	117.52	108.99	121.21
	Lease finance charges	112.16	108.92	110.44	133.73	-
	Consultancy charges	3,458.95	3,607.47	2,053.84	1,709.73	1,559.18
	Cost of software packages for own use	403.65	397.26	326.01	250.64	185.40
	Cost of bought-out items for resale	742.76	548.28	272.10	249.58	276.73
	Raw materials consumed	-	53.04	40.09	122.61	75.45
		4,885.63	4,891.51	2,920.00	2,575.28	2,217.97
(C)	Sales, administration and other expenses					
	Travelling and conveyance	1,202.05	1,198.54	999.71	866.01	790.71
	Rent and establishment expenses	1,459.43	1,458.28	1,419.26	1,163.27	940.69
	Telephone charges and postage	344.52	360.70	315.48	277.04	259.46
	Legal and professional charges	562.58	657.06	326.00	315.37	279.66
	Printing and stationery	29.21	25.97	25.54	28.26	25.85
	Advertisement	92.69	68.94	36.71	49.73	39.30
	Entertainment	57.29	50.34	32.12	26.57	24.16
	Recruitment expenses	132.70	99.39	74.30	81.59	78.60
	Repairs to building	135.43	104.47	105.14	93.85	68.63
	Repairs to computers	93.16	96.34	101.55	86.72	70.95
	General repairs and maintenance	253.51	242.63	165.79	113.86	83.86
	Power and fuel	290.26	309.52	283.10	237.29	267.88
	Equipment hire charges	10.19	7.67	7.83	11.00	13.48
	Insurance charges	165.74	117.52	116.00	78.89	68.22
	Rates and taxes	358.46	217.15	113.23	113.63	80.41
	Allowance for doubtful debts and advances	190.47	8.33	84.30	18.28	14.56
	Bad debts	39.13	66.58	42.72	178.50	33.68
	Less : Provision written back	(39.13)	(66.58)	(42.81)	(179.06)	(29.62)
	Commission paid	0.62	18.15	13.69	7.11	7.97
	Books, periodicals and Subscriptions	29.09	11.41	28.12	14.26	10.36
	Directors fees	0.93	0.40	0.52	0.62	0.58
	Commission to director	3.60	3.73	4.46	2.56	-
	Loss on sale of fixed assets	7.18	-	-	-	-
	Miscellaneous expenses	181.97	193.01	147.62	114.97	107.72
	Amortisation of cost of long term projects *	6.35	9.52	3.17	11.62	33.08
		5,607.43	5,259.07	4,403.55	3,711.94	3,270.19

* Cost incurred for long term projects mainly comprise of legal and employee related costs to secure long term projects.

Annexure XIX : Restated consolidated statement of finance cost

₹ Million

	2014-15	2013-14	2012-13	2011-12	2010-11
Interest paid on					
Fixed loans	46.94	101.32	87.18	49.85	24.18
On others	9.29	0.82	10.50	11.00	42.18
Lease finance charges	-	0.03	-	0.40	0.45
	56.23	102.17	97.68	61.25	66.81
Exchange (gain)/loss on borrowings (net)	47.96	203.17	110.44	281.17	29.67
	104.19	305.34	208.12	342.42	96.48

Annexure XX : Restated consolidated statement of provision for taxation

₹ Million

	2014-15	2013-14	2012-13	2011-12	2010-11
Current tax on continuing operations	2,141.09	1,979.11	1,685.09	1,529.03	879.12
MAT credit entitlement for current year	(505.04)	(188.82)	-	-	(278.48)
MAT credit entitlement for earlier years	-	(2.09)	-	(277.90)	-
Provision for earlier year/excess provision for earlier year written back	(5.60)	(107.17)	(54.09)	38.14	40.84
Total current taxes (a)	1,630.45	1,681.03	1,631.00	1,289.27	641.48
Current tax on discontinued operations (b)	1.69	129.25	191.54	-	-
*Capital gains tax on sale of PES business unit	14.87	592.68	-	-	-
MAT credit entitlement on capital gains tax for current year	-	(176.56)	-	-	-
Capital gain tax on sale of PES business (c)	14.87	416.12	-	-	-
Current tax (a) +(b)+(c)	1,647.01	2,226.40	1,822.54	1,289.27	641.48

Annexure XXI : Restated consolidated statement of contingent liabilities

₹ Million

	2014-15	2013-14	2012-13	2011-12	2010-11
1. Income-tax liability that may arise in respect of which the Company is in appeal*	1,167.47	910.03	48.22	44.31	47.77
2. Corporate guarantee given on behalf of subsidiary**	5,395.70	5,681.29	5,445.98	3,572.98	3,173.80
3. Service tax refund disallowed, in respect of which the company is in process of filing appeal #	4.52	-	-	-	-
4. Bill discounted with banks	-	-	59.71	157.62	-
5. Sales tax liability, in respect of which the Company is in appeal	1.28	-	-	-	-
6. Legal notice served by a vendor for unpaid dues, disputed by the Company	0.02				
	6,568.99	6,591.32	5,553.91	3,774.91	3,221.57

* Out of contingent tax liability for FY 2014-15, ₹1,099.79 Mn (including interest of ₹263.71 Mn), for FY 2013-14, ₹ 866.26 Mn (including interest of ₹ 240.57 Mn), for FY 2012-13, ₹ 29.63 Mn (including interest of ₹ 18.59 Mn), for FY 2011-12, ₹ 25.72 Mn (including interest of ₹ 18.59 Mn), for FY 2010-11, ₹ 31.85 Mn (including interest of ₹15.92 Mn) pertains to the tax demand arising on account of disallowance of exemption under section 10A on profits earned by STPI Units on onsite export revenue. The Company is pursuing appeal against these demands before the relevant Appellate Authorities.

The Company believes that its position is likely to be upheld by Appellate Authorities and considering the facts, the ultimate outcome of these proceedings is not likely to have material adverse effect on the results of operations or the financial position of the Company.

** (a) The Company has given a corporate guarantee on behalf of its wholly owned subsidiary, L&T Infotech Financial Services Technologies Inc., Canada. The guarantee is for performance of all obligations by L&T Infotech Financial Services Technologies Inc., Canada in connection with the long term annuity services contracts obtained by them. The obligation under this guarantee is limited in aggregate to the amount of CAD 70,000,000.

(b) The Company has given a corporate guarantee on behalf of its subsidiary, Larsen And Toubro Infotech South Africa (Proprietary) Limited. The guarantee is for performance of all obligations by Larsen And Toubro Infotech South Africa (Proprietary) Limited in connection with the Application Testing Service contract. The obligation under this guarantee is limited in aggregate to the amount of USD 31,414,785.

The Company had filed refund of accumulated service tax credit in accordance with relevant CENVAT credit Rules. However, the department has disallowed certain portion of such refunds considering the same as ineligible, as not related with export and output services. The Company is in process of filing appeal against these disallowances before the relevant Authorities and hopeful of getting a favourable order.

For FY 2011-12

Two terminated employees in USA had initiated litigation against the Company in FY 2011-12. The processes of the litigations were at the initial stages. While the Company's management believed that it had a valid defense against the allegations made, management was neither able to predict the final outcome of the proceedings nor was it possible to estimate the monetary impact of an adverse decision. Management, however, did not reasonably expect that these litigations, when concluded and determined, will have any material and adverse effect on the operations or the financial position of the Company. The matter has since been concluded.

Annexure XXII : Restated consolidated statement of related parties

(A) Key management Personnel:

Name	Status
Mr. V K Magapu	Managing Director
Mr. Chandrashekar Kakal	Chief Operating Officer & Executive Director*
Mr. K R L Narasimham	Executive Director**
Mr. Vivek Chopra	Chief Executive (Industrials Cluster) & Executive Director***
Dr. Mukesh Aghi	Chief Executive (Services Cluster) & Executive Director [#]
Mr. Sunil Pande	Executive Director ^{\$}

* Appointed as Executive Director w.e.f. July 21, 2014

** Ceased to be Director w.e.f. the close of working hours of April 7, 2015

*** Ceased to be Director w.e.f. the close of working hours of December 31, 2014

[#] Ceased to be Director w.e.f. the close of working hours of February 28, 2015

^{\$} Appointed as Executive Director w.e.f. January 10, 2015

(B) List of related parties with whom there were transactions during any of the five years FY 2014-15, FY 2013-14, FY 2012-13, FY 2011-12, FY 2010-11:

Name	Relationship
Larsen & Toubro Limited	Holding Company
L&T MHPS Turbine Generators Private Limited	Fellow Subsidiary
L&T Seawoods Limited	Fellow Subsidiary
L&T - MHPS Boilers Private Limited	Fellow Subsidiary
Larsen & Toubro (East Asia) SDN,BHD	Fellow Subsidiary
L&T Modular Fabrication Yard LLC	Fellow Subsidiary
L&T Howden Private Limited	Fellow Subsidiary
L&T-Valdel Engineering Limited	Fellow Subsidiary
Larsen & Toubro ATCO Saudia LLC	Fellow Subsidiary
L&T Hydrocarbon Engineering Limited*	Fellow Subsidiary
TAMCO Switchgear (Malaysia) SDN. BHD	Fellow Subsidiary
L&T Electricals and Automation Saudi Arabia Company Limited LLC	Fellow Subsidiary
L&T Finance Limited	Fellow Subsidiary
L&T General Insurance Company Limited	Fellow Subsidiary
L&T Infrastructure Development Projects Limited	Fellow Subsidiary
L&T Power Development Limited	Fellow Subsidiary
L&T Sapura Shipping Private Limited	Fellow Subsidiary
L&T Power Limited	Fellow Subsidiary
L&T-Sargent & Lundy Limited	Fellow Subsidiary
L&T Realty Limited	Fellow Subsidiary
L&T BPP Tollway Limited	Fellow Subsidiary
Larsen & Toubro Kuwait Construction General Contracting Company, With Limited Liability	Fellow Subsidiary
Larsen & Toubro Heavy Engineering LLC	Fellow Subsidiary
Larsen & Toubro Electromech LLC	Fellow Subsidiary
L&T Infrastructure Finance Company Limited	Fellow Subsidiary
L&T Metro Rail (Hyderabad) Limited	Fellow Subsidiary
L&T Kobelco Machinery Private Limited	Fellow Subsidiary
L&T Cutting Tools Limited	Fellow Subsidiary
L&T Technology Services Limited**	Fellow Subsidiary
L&T Valves Limited	Fellow Subsidiary
Larsen & Toubro Hydrocarbon International Limited LLC	Fellow Subsidiary
L&T Investment Management Limited	Fellow Subsidiary

Name	Relationship
L&T Construction Equipment Limited	Fellow Subsidiary
Larsen & Toubro LLC	Fellow Subsidiary
L&T Devihalli Hassan Tollway Limited	Fellow Subsidiary
Larsen and Toubro Saudi Arabia LLC	Fellow Subsidiary
Nabha Power Limited	Fellow Subsidiary
L&T Electrical & Automation FZE	Fellow Subsidiary

* This company was demerged from Larsen & Toubro Limited into new entity named L&T Hydrocarbon Engineering Limited effective April 2013. Transactions from 1 April 2010 to 31 March 2013 are including under holding company whereas transactions from 1 April 2013 to 31 March 2015 are shown separately as fellow subsidiary.

** Integrated Engineering Services (IES) unit from Larsen & Toubro Limited was transferred to L&T Technology Services Limited effective April 2014. Transactions from 1 April 2010 to 31 March 2014 are including under holding company whereas transactions for FY 2014-15 are shown separately as fellow subsidiary.

(C) Restated consolidated statement of related party transactions:

	₹ Million				
Transaction	2014-15	2013-14	2012-13	2011-12	2010-11
Transaction					
Sale of services / products	352.00	635.68	422.83	346.70	430.78
<u>Holding Company</u>					
- Larsen & Toubro Limited	352.00	635.68	422.83	346.70	430.78
<u>Fellow subsidiaries</u>	324.91	221.91	150.82	168.41	212.90
- L&T General Insurance Company Limited	-	29.49	51.42	47.61	76.18
- L&T Power Limited	-	30.41	33.93	49.56	-
- Larsen & Toubro LLC	-	29.48	-	-	-
- L&T Finance Limited	-	-	22.68	-	-
- L&T Construction Equipment Limited	-	-	15.89	-	-
- L&T Metro Rail (Hyderabad) Limited	60.14	-	-	-	-
- L&T Technology Services Limited	53.12	-	-	-	-
- L&T Modular Fabrication Yard LLC	-	-	-	22.87	-
- Larsen and Toubro Saudi Arabia LLC	-	-	-	-	35.75
- TAMCO Switchgear (Malaysia) SDN. BHD	-	-	-	-	29.07
- L&T Hydrocarbon Engineering Limited	59.13	49.94	-	-	-
Sale of assets					
<u>Holding Company</u>	-	17.13	30.52	23.66	68.06
- Larsen & Toubro Limited	-	17.13	30.52	23.66	68.06
<u>Fellow subsidiaries</u>	-	11.73	-	-	-
- L&T Technology Services Limited	-	11.73	-	-	-
Purchase of services					
<u>Holding Company</u>	1,034.96	1,754.22	1,428.88	1,079.56	842.00
- Larsen & Toubro Limited	1,034.96	1,754.22	1,428.88	1,079.56	842.00
<u>Fellow subsidiaries</u>	788.45	234.22	-	-	8.73
- L&T Technology Services Limited	788.45	234.22	-	-	-
- L&T-Valdel Engineering Limited	-	-	-	-	8.73
Overheads charged by					
<u>Holding Company</u>	125.82	212.29	220.11	253.40	168.25
- Larsen & Toubro Limited	125.82	212.29	220.11	253.40	168.25
<u>Fellow subsidiaries</u>	44.84	11.68	8.31	8.60	4.23
- Larsen & Toubro East Asia	24.43	-	-	1.75	-
- L&T Electrical & Automation FZE	5.81	-	-	-	-

Transaction	2014-15	2013-14	2012-13	2011-12	2010-11
- Larsen & Toubro Kuwait Construction General Contracting Company, With Limited Liability	10.76	10.19	5.41	3.44	-
- L&T Technology Services Limited	0.39	-	-	-	-
- L&T Power Limited	-	-	1.27	-	-
- L&T Electromech LLC	-	-	-	1.89	-
- L & T Electricals Saudi Arabia Co.	-	-	0.92	-	-
- L&T Finance Limited	-	-	-	-	3.94
Overheads charged to					
<u>Holding Company</u>	65.57	373.21	341.52	513.56	390.26
- Larsen & Toubro Limited	65.57	373.21	341.52	513.56	390.26
<u>Fellow subsidiaries</u>	715.18	191.85	0.13	8.47	7.70
- L&T Technology Services Limited	707.93	144.57	-	-	-
- L&T Hydrocarbon Engineering limited	-	47.17	-	-	-
- L&T Power Limited	-	-	0.13	-	2.04
- L&T-Valdel Engineering Limited	-	-	-	8.13	2.76
- L&T Infrastructure Development Projects Limited	-	-	-	-	2.09
- L&T Power Development Limited	-	-	-	-	1.02
Commission received from					
<u>Holding Company</u>	-	14.70	5.93	0.98	4.82
- Larsen & Toubro Limited	-	14.70	5.93	0.98	4.82
<u>Fellow subsidiaries</u>	18.40	4.66	-	-	-
- L&T Technology Services Limited	18.40	4.66	-	-	-
Lease rent paid					
<u>Fellow subsidiaries</u>	0.52	1.41	2.70	8.56	16.21
- L&T Finance Limited	0.52	1.41	2.70	8.56	16.21
Commission paid to					
<u>Holding Company</u>	-	16.70	11.70	-	-
- Larsen & Toubro Limited	-	16.70	11.70	-	-
<u>Fellow subsidiaries</u>	0.62	-	-	-	-
- Larsen & Toubro Kuwait Construction General Contracting Company, With Limited Liability	0.62	-	-	-	-
Interest paid					
<u>Holding Company</u>	-	1.90	0.01	32.72	23.05
- Larsen & Toubro Limited	-	1.90	0.01	32.72	23.05
Interest received					
<u>Holding Company</u>	-	53.43	-	-	-
- Larsen & Toubro Limited	-	53.43	-	-	-
Unsecured loan given to					
<u>Holding Company</u>	-	4,500.00	-	-	-
- Larsen & Toubro Limited	-	4,500.00	-	-	-
Unsecured loan taken from					
<u>Holding Company</u>	-	400.00	-	-	1,000.00
- Larsen & Toubro Limited	-	400.00	-	-	1,000.00
Trade receivables					
Holding Company	0.01	2.54	9.87	0.34	-
Fellow subsidiaries	88.80	0.23	28.09	17.19	62.03

Transaction	2014-15	2013-14	2012-13	2011-12	2010-11
Trade payables					
Holding Company	174.23	190.79	583.30	360.36	507.76
Fellow subsidiaries	0.89	117.68	-	-	-
Interim dividend paid					
Holding company	4,805.25	5,514.75	3,031.50	2,547.75	1,515.75

Annexure XXIII : Restated consolidated statement of accounting ratios

(A) Basic and diluted earnings per share (EPS) at face value of ₹ 5

Before extraordinary items

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated profit after tax (₹ Million)	7,612.53	6,886.10	5,737.26	4,331.48	3,310.01
Weighted average number of shares outstanding	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Basic EPS (₹)	236.05	213.52	177.90	134.31	102.64

	2014-15	2013-14	2012-13	2011-12	2010-11
Weighted average number of shares outstanding	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Add : weighted average number of potential equity shares on account of employee options	1,454,020	1,454,020	1,454,020	1,454,020	1,447,620
Weighted average number of shares outstanding	33,704,020	33,704,020	33,704,020	33,704,020	33,697,620
Diluted EPS (₹)	225.86	204.31	170.22	128.52	98.23

After extraordinary items

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated profit after tax (₹ Million)	7,691.61	9,283.42	5,737.26	4,331.48	3,310.01
Weighted average number of shares outstanding	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Basic EPS (₹)	238.50	287.86	177.90	134.31	102.64

	2014-15	2013-14	2012-13	2011-12	2010-11
Weighted average number of shares outstanding	32,250,000	32,250,000	32,250,000	32,250,000	32,250,000
Add : weighted average number of potential equity shares on account of employee options	1,454,020	1,454,020	1,454,020	1,454,020	1,447,620
Weighted average number of shares outstanding	33,704,020	33,704,020	33,704,020	33,704,020	33,697,620
Diluted EPS (₹)	228.21	275.44	170.22	128.52	98.23

(B) Basic and diluted earnings per share (EPS) at face value of ₹ 1

Before extraordinary items

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated profit after tax (₹ Million)	7,612.53	6,886.10	5,737.26	4,331.48	3,310.01
Weighted average number of shares outstanding	161,250,000	161,250,000	161,250,000	161,250,000	161,250,000
Basic EPS (₹)	47.21	42.70	35.58	26.86	20.53

	2014-15	2013-14	2012-13	2011-12	2010-11
Weighted average number of shares outstanding	161,250,000	161,250,000	161,250,000	161,250,000	161,250,000
Add : weighted average number of potential equity	7,270,100	7,270,100	7,270,100	7,270,100	7,238,100

	2014-15	2013-14	2012-13	2011-12	2010-11
shares on account of employee options					
Weighted average number of shares outstanding	168,520,100	168,520,100	168,520,100	168,520,100	168,488,100
Diluted EPS (₹)	45.17	40.86	34.04	25.70	19.65

After extraordinary items

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated profit after tax (₹ Million)	7,691.61	9,283.42	5,737.26	4,331.48	3,310.01
Weighted average number of shares outstanding	161,250,000	161,250,000	161,250,000	161,250,000	161,250,000
Basic EPS (₹)	47.70	57.57	35.58	26.86	20.53

	2014-15	2013-14	2012-13	2011-12	2010-11
Weighted average number of shares outstanding	161,250,000	161,250,000	161,250,000	161,250,000	161,250,000
Add : weighted average number of potential equity shares on account of employee options	7,270,100	7,270,100	7,270,100	7,270,100	7,238,100
Weighted average number of shares outstanding	168,520,100	168,520,100	168,520,100	168,520,100	168,488,100
Diluted EPS (₹)	45.64	55.09	34.04	25.70	19.65

The Company has split its equity shares from face value of ₹ 5 to face value of ₹ 1 per equity share on 22 June 2015. Consequently disclosure of EPS is given both before and after the split for convenience of readers.

(C) Net asset value per share at face value of ₹ 5

	2014-15	2013-14	2012-13	2011-12	2010-11
Net asset value per share	628.32	499.32	415.13	342.75	352.18

(D) Net asset value per share at face value of ₹ 1

	2014-15	2013-14	2012-13	2011-12	2010-11
Net asset value per share	125.66	98.86	83.03	68.55	70.44

The Company has split its equity shares from face value of ₹ 5 to face value of ₹ 1 per equity share on 22 June 2015. Consequently disclosure of net asset value per share is given both before and after the split for convenience of readers.

(E) Return on net worth

	2014-15	2013-14	2012-13	2011-12	2010-11
Restated profit after tax (₹ Million)	7,612.53	6,886.10	5,737.26	4,331.48	3,310.01
Average net worth	18,183.20	14,745.46	12,220.80	11,205.67	10,558.51
Return of net worth %	41.9%	46.7%	46.9%	38.7%	31.3%

- 1) Earnings per share (Basic) =
$$\frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

- 2) Earnings per share (Diluted) =
$$\frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$$
- 3) Net asset value per share =
$$\frac{\text{Net worth at the end of the year}}{\text{Equity shares outstanding at the end of the year}}$$
- 4) Return on net worth =
$$\frac{\text{Net profit after tax}}{\text{Average net worth (average for two years)}}$$

Annexure XXIV: Restated consolidated capitalisation statement

₹ Million

Particulars	Pre issue as at 31st March, 2015	As adjusted for IPO (Refer note below)
Secured loans	877.78	877.78
Unsecured loans	1,297.48	1,297.48
Total debt	2,175.26	2,175.26
Shareholders' funds		
Share capital (A)	161.25	161.25
Reserves and surplus (B)	20,102.23	20,102.23
- General reserve	4,490.25	4,490.25
- Hedging reserve	(366.97)	(366.97)
- Securities premium reserve	1,181.24	1,181.24
- Profit and loss account	14,193.22	14,193.22
- Employee stock options outstanding	338.41	338.41
Total shareholders' funds (A) + (B)	20,263.48	20,263.48
Debt equity ratio (Number of times)	0.11	0.11

Note: Larsen and Toubro Limited (the holding company) is proposing to offer the equity shares of the Company to the public by way of an initial public offering. Hence there will be no change in the shareholders' funds post issue.

Annexure XXV : Restated consolidated statement of dividend paid

₹ Million					
Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Dividend paid on equity shares					
Rate of dividend (%) (Face value of ₹ 5 per share)	2,980%	3,420%	1,880%	1,580%	940%
Dividend paid per share (Face value of ₹ 5 per share)	149.00	171.00	94.00	79.00	47.00
Dividend paid on equity shares	4,805.25	5,514.75	3,031.50	2,547.75	1,515.75
Tax on dividend paid	906.32	937.23	496.17	413.32	251.76

As per our report attached
SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership No: 038332
Mumbai
Date: July 27, 2015

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of business for the purposes of meeting working capital requirements.

Set forth below is a brief summary of our aggregate borrowings as of June 30, 2015:

Category of borrowing	Sanctioned Amount (in ₹ million)	Outstanding amount (in ₹ million) as on June 30, 2015
<i>Borrowings of our Company</i>		
<i>A. Fund based borrowings</i>		
Term loans		
Secured	490.66	212.15
Working capital loans		
Secured	900.00	763.74
Unsecured	3,070.00	1,081.97
<i>B. Non fund borrowings</i>		
Bank guarantees	1,120.00	772.65
Total	5,580.66	2,830.51
<i>Borrowings of L&T Infotech Financial Services Technologies Inc.</i>		
<i>A. Fund based borrowings</i>		
Secured	359.71*	-
<i>B. Non fund borrowings</i>		
Total	359.71*	-

*As on June 30, 2015, no amount of secured loan sanctioned to LTIFST has been availed by LTIFST.

Principal terms of the borrowings availed by us:

- Interest:** In terms of the loans availed by us, the interest rate is typically base rate plus basis points as specified by a given lender.
- Tenor:** The tenor of the working capital limits typically ranges from three months to six months and five years for the term loan.
- Security:** In terms of our borrowings where security needs to be created, we are typically required to create security by way of hypothecation of book debts and receivables and charge on movable fixed assets of our Company. There may be additional requirements for creation of security under the various borrowing arrangements entered into by us.
- Re-payment:** The working capital facilities are typically repayable on maturity date. Some of our lenders typically have a right to modify or cancel the facilities without prior notice and require immediate repayment of all outstanding amounts. The repayment period for our term loan is in equal half yearly instalments.
- Covenants:** Borrowing arrangements entered into by our Company contain certain covenants to be fulfilled by our Company, including:
 - Submission of financial statements to our lenders, within a specified period;
 - Notification to our lenders upon entering into any amalgamation, consolidation, demerger, merger and upon breach of any of the covenants of the borrowing arrangements;
 - Refraining from changing our financial year end from the date we have currently adopted, refraining from reducing our Promoter's shareholding in our Company to below 51%, refraining from selling, letting out, transferring or disposing off all or substantial part of our assets without prior written consent of our lender and refraining from declaring dividends or distributing profits except where the instalments of principal and interest payable to a particular lender is being paid regularly and there are

no irregularities in relation thereto; and

- d) Compliance of the financial covenants including in relation to maintenance of minimum net debt to EBITDA ratio, minimum tangible net worth, minimum fixed asset cover and maximum net gearing.

6. *Events of Default:* Borrowing arrangements entered into by our Company contain standard events of default, including:

- a) Change in constitution of our Company which would in the opinion of the bank would adversely affect the interest of the bank;
- b) Cross defaults;
- c) Material adverse change to the business, assets or condition of our Company which is likely to have a material adverse effect on the financial condition of our Company; and
- d) Breach of the obligations under any term of the relevant agreement or any other borrowing agreement entered into by our Company.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial information as of the Financial Years ended March 31, 2015, 2014 and 2013, including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus, and our assessment of the factors that may affect our prospects and performance in future periods. Our restated financial information included in this Draft Red Herring Prospectus is prepared under Indian GAAP, in accordance with requirements of the Companies Act, 2013, as amended, and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Accordingly, the degree to which our Restated Financial Statements beginning on page 192 of this Draft Red Herring Prospectus will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP. This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements. As such, you should also read "Risk Factors" and "Forward Looking Statements" beginning on pages 19 and 18, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

The USD financial information included in this Draft Red Herring Prospectus has not been audited but has been reviewed by our auditors, and is based on internally generated information derived from our management information systems. Accordingly, there can be no assurance that, had an audit been conducted in respect of such USD financial information, the financial information presented therein would not have been materially different, and investors should therefore construe such financial information accordingly.

Overview

We are one of India's global IT services and solutions companies. In 2014, NASSCOM ranked us as the sixth largest Indian IT services company in terms of export revenues. Our clients comprise some of the world's largest and well-known organisations, including 41 of the Fortune Global 500 companies.

We offer an extensive range of IT services to our clients in diverse industries such as banking and financial services, insurance, energy and process, consumer packaged goods, retail and pharmaceuticals, media and entertainment, hi-tech and consumer electronics and automotive and aerospace. Our range of services include application development, maintenance and outsourcing, enterprise solutions, infrastructure management services, testing, digital solutions and platform-based solutions. We serve our clients across these industries, leveraging our domain expertise, diverse technological capabilities, wide geographical reach, an efficient global delivery model, thought partnership and "new age" digital offerings.

We were incorporated in 1996 and are headquartered in Mumbai, India. We leverage the strengths and heritage of our Promoter, Larsen & Toubro Limited, a leading Indian conglomerate in engineering, construction, manufacturing, finance and technology. The L&T group provides us with access to professionals with deep industry knowledge in the sectors in which we do business. We have also inherited from the L&T group its corporate and business culture and corporate governance practices, which in our view places us in good stead in relation to our business. In addition, we benefit from our "Business-to-IT Connect" model, which we derive from the commonality of business verticals with our Promoter. For further details, see "Our Business – Our Competitive Strengths – Strong domain focus enabling Business-to-IT Connect" from pages 119 to 120.

Our growth has been marked by significant expansion of business verticals and geographies in which we do business. Besides India, we provide services globally and the percentage of our revenue from continuing operations from North America, Europe, Asia Pacific and the rest of the world amounted to 68.6%, 17.9%, 2.4% and 6.9%, respectively. As of June 30, 2015, we had 22 Delivery Centres and 42 sales offices globally.

As part of a business restructuring exercise conducted by our Promoter, all engineering services businesses of our Promoter have been consolidated under a separate subsidiary of our Promoter, LTTSL. As part of this restructuring, on January 1, 2014, we sold and transferred the assets and liabilities of our PES Business to LTTSL. Our PES Business was responsible for the operations of our telecom cluster, providing IT services and

solutions to our clients in the telecommunication sector. For further details on our PES Business, see “Our Business – Notable Developments” on page 133.

Note Regarding Non-Comparability of Results of Operations

As part of a business restructuring exercise conducted by the L&T group, our PES Business has been consolidated under a separate subsidiary of our Promoter, LTTSL. For further details of the restructuring, see “Our Business- Notable Developments” on page 133. As a result of this restructuring, and as a consequence of the timing of the transfer of businesses in Germany being different from that in other countries, we have recognised certain revenues and expenses relating to our PES Business for a nine-month period in Financial Year 2014 (excluding the operations in Germany of our PES Business, which have been included in the Restated Financial Statements for Financial Year 2014 for a full twelve-month period) and a five-month period in Financial Year 2015 (in relation to the operations in Germany of our PES Business), as results of discontinued operations in our restated consolidated financial information presented in this Draft Red Herring Prospectus. Our results of operations for Financial Year 2013 reflect the recognition of revenues and expenses from our PES Business for a full twelve-month period, results of which are shown as results of discontinued operations in Financial Year 2014. Moreover, Financial Year 2013 demonstrates results of discontinued operations for comparative purposes only to Financial Year 2014 notwithstanding the fact that there was no restructuring of our PES Business in Financial Year 2013. In addition, while our restated consolidated financial information discloses summary results from these discontinued operations as distinct from the results of our continuing operations, certain line items in our profit and loss account do not draw this distinction. For example, our employee benefits expense, which is the most significant item of expenditure in our profit and loss account, does not separately disclose those expenses attributable to continuing operations and those expenses attributable to discontinued operations. As a result of the foregoing, our total results of operations for the three Financial Years presented herein are not comparable with one another.

Significant Factors Affecting Our Results of Operations

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. This section sets out certain key factors that our management believes have historically affected our results of operations during the period under review, or which could affect our results of operations in the future.

Client relationships

Client relationships are at the core of our business. We have a history of high client retention and derive a significant proportion of our revenues from repeat business (defined as repeat business generated in the preceding Financial Year) built on our successful execution of prior engagements. In Financial Years 2015, 2014 and 2013, we generated 98.1%, 96.9% and 97.5%, respectively, of our revenue from continuing operations from existing clients. In addition, we are dependent on certain key clients who may exert pricing pressure upon us. For further details, see “Our Business- Our Competitive Strengths- Established long- term relationships with our clients”, “Our Business- Key Client Relationships”, “Risk Factors- Our revenue depends to a large extent on a limited number of clients, and our revenue could decline if we lose a major client.” on pages 120, 138 and 27, respectively.

As a client relationship matures and deepens, we seek to maximise our revenues and profitability by expanding the scope of IT services offered to that client with the objective of winning more business from our clients, particularly in relation to our more substantive and value-added IT service offerings. To do this, we take part in client analysis to identify opportunities with our portfolio of existing clients, and use our relevant industry and service line experience to market additional offerings to our clients. We view this approach as important in order to re-evaluate the relevance and criticality of our IT service offerings to our clients’ businesses as they grow and evolve, as well as an opportunity to further strengthen and build long-term relationships with such clients. We believe that our ability to establish and strengthen client relationships and expand the scope of IT services we offer to clients will be an important factor in our future growth and our ability to continue increasing our profitability.

Composition of revenue portfolio

Our ability to achieve growth in our revenues is dependent on composition of the proportion of work performed onsite and offshore through our global delivery model (see “Our Business – Global Delivery Model” from pages 133 to 134).

Our offshore export revenues consist of revenues from IT services performed in our facilities in India. Our onsite export revenues consist of revenues from software services performed at clients' premises or from our Delivery Centres outside India. Onsite export services typically generate higher revenues than the same services performed offshore, and our profit margins are typically higher if work is performed offshore as compared to onsite. Accordingly, the mix of IT services performed onsite and offshore has an impact on our ability to achieve higher profit margins. We regularly monitor the proportion of work performed onsite and offshore on a project-by-project, client-by-client basis and at an overall organisation level in order to achieve an optimal level of revenues and margins.

The following table shows the proportionate contribution from our onsite and offshore export revenue for the periods indicated:

	Percentage of export revenue from continuing operations		
	Financial Year 2015	Financial Year 2014	Financial Year 2013
Onsite.....	51.8%	53.9%	53.3%
Offshore	48.2%	46.1%	46.7%

In addition, our growth and margin performance will depend on the potential demand for IT services and solutions in the business segments in which we operate and on the composition of our revenues across business segments, including the geographic composition of revenues, the industrial vertical composition of revenues and the IT service offerings composition of revenues. For example, our strategic focus on high growth IT service offerings such as emerging technologies and IMS offerings. For further details, see "Our Business – Our Business Strategies– Continue to focus on emerging technologies" and "Our Business – Expand our focus on infrastructure management services" each on page 123 is likely to have an impact on our ability to generate higher business in the future.

Further, a key part of our strategy is to focus on business verticals and geographical locations where we believe IT spend is high, or will increase, in the future. With respect to our business verticals, we expect growth in relation to our banking and financial services, insurance and energy and process business verticals. With respect to our geographies, we are aiming to expand our presence outside of the United States and Europe (with certain notable exceptions, including the Nordic region and Germany, where we intend to continue expanding our presence) in markets that in our view offer high potential for our IT service offerings. These include Australia, Singapore, Japan, South Africa, India and the Middle East. For further details, see "Our Business – Our Business Strategies – Expanding our geographical presence" from pages 123 to 124.

Our ability to sustain increasing revenues and margins will be dependent on our ability to maintain an optimal mix of revenues generated onsite and offshore and from our business verticals, service lines and the geographies in which we do business, and to successfully implement these strategies.

Employees and employee costs

A principal component of our ability to compete effectively is our ability to attract and retain qualified employees. Our number of employees increased to 19,479 as of March 31, 2015 from 17,627 as of March 31, 2014 (in each case, excluding our PES Business).

The principal component of the overall cost of our sales is employee benefits expenses, which, in Financial Year 2015, constituted 57.7% of our total income. Wage costs in India, including in the IT services industry, have historically been more competitive than wage costs in the United States, Europe and other developed economies. However, if wage costs in India continue to increase at a rate faster than in the United States, Europe and other developed economies due to competitive pressures, we may experience a greater increase in our employee costs, thereby eroding one of our principal cost advantages over competitors in the United States, Europe and other developed economies, as well as other offshore services destinations such as China, the Philippines, Eastern Europe and Latin America. In addition, our ability to manage our employee benefit expenses will also be heavily impacted by our onshore and offsite export revenue mix, as well as our resource mix.

In addition, as we continue to invest in the recruitment and retention of sales and administration staff in line with our growth and expand our markets. For details, see "Our Business – Our Business Strategies – Expanding our geographical presence" from pages 123 to 124, we are likely to incur costs in relation to our market

penetration, sales and marketing initiatives, and for the recruitment of sales and administrative employees located in India and overseas.

Our Company has granted 3,165,205 options to the eligible employees under the Existing Employee Stock Option Plans. As of date of this Draft Red Herring Prospectus, no options have been exercised by the employees and ex-employees of our Company under the ESOP Scheme, 2000 or U.S Sub-Plan, 2006. As of date of this Draft Red Herring Prospectus, the total options outstanding under the ESOP Scheme, 2000 are 2,300,845 or 10,781,910 after adjustment of split of equity shares of our Company from face value of ₹ 5 each to ₹ 1 each. As of date, the total options outstanding under the U.S Sub-Plan, 2006 are 90,100 or 450,500 after adjustment of split of equity shares of our Company from face value of ₹ 5 each to ₹ 1 each.

Our Company has also instituted ESOP Scheme, 2015 for issue of options to eligible employees which may result in issue of Equity Shares of up to five % of the paid up capital of our Company. As of the date of this Draft Red Herring Prospectus, no options have been granted under the ESOP Scheme, 2015. Any issuance of Equity Shares pursuant to the Existing Employee Stock Option Plans and the ESOP Scheme 2015 will result in a charge to our income statement equal to the product of number of options granted and the difference between the fair market value of the options as on the date of grant and the exercise price of the options on the exercise date. This charge will be proportionate to the vesting period. For further details, see “Capital Structure” from pages 86 to 92.

Foreign currency fluctuations

Since our key clients are foreign corporate and the majority of our revenues are generated outside of India (see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations – Segmental Reporting – Geographic segmentation” below) we are exposed to translation and transaction foreign exchange risks (see “Risk Factors – Exchange rate fluctuations in various currencies in which we do business could negatively impact our business, financial condition and results of operations” on page 23). Although we partly benefit from a natural hedge for our foreign currency revenues against our foreign currency expenses, we also have an exposure to foreign exchange rate risk in respect of revenues or expenses entered into in a currency where corresponding expenses or revenues are denominated in different currencies. Such transactions are generally denominated in USD, Euro, Canadian Dollars and British Pound Sterling. For further details in relation to our unhedged receivables and payables, see Annexure IV (C) (2) in our consolidated Restated Financial Statements in “Financial Statements” from page 259 to 260. We manage, in part, our foreign exchange risk by entering into forward contracts. For Financial Years 2015, 2014 and 2013, we experienced a net foreign exchange gain of ₹ 667.81 million, net foreign exchange loss of ₹ 1,048.05 million, and net foreign exchange loss of ₹ 19.25 million, respectively. For further information, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Quantitative and Qualitative Disclosures about Market Risk - Foreign Currency Exchange Rate Risk” on page 314.

In addition, the overall competitiveness of the Indian IT industry in the global market is also significantly dependent on favourable exchange rates. Any significant appreciation of the Rupee against foreign currencies, especially the USD and the Euro, is likely to have an impact on our ability to compete effectively with international competitors, and maintain or grow our profit margin.

Tax benefits for Indian IT companies

We have historically benefited from the direct and indirect tax benefits given by the Government for the export of IT services from SEZs, including for our business. As a result, a substantial portion of our profits is exempt from income tax leading to a lower overall effective tax rate than that which we would otherwise enjoy if we were doing business outside SEZs, and we will continue to enjoy these benefits in the near future. Our effective tax rate was 18.0% in Financial Year 2015. For further details, see “Risk Factors – If there is a change in tax regulations, our tax liabilities may increase and thus adversely affect our financial position and results of operations. We would indeed realise lower tax benefits if the special tax holiday scheme for units set up in special economic zones is substantially modified” from pages 30 to 31.

Until March 31, 2011, direct and indirect tax benefits were also available for the export of IT services from software development centres registered under the STPI Scheme, including for our business. As of March 31, 2011 onwards, we have enjoyed only indirect tax benefits for our business through software development centers registered under the STPI Scheme.

The effect of the sale and transfer of our PES Business

For further information on the restructuring effected by the L&T group, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Note Regarding Non-Comparability of Results of Operations”, “Our Business – Notable Developments” and Annexure IV (C) (6) to our consolidated Restated Financial Statements for Financial Year 2015 in “Financial Statements” on pages 297, 133 and from pages 263 to 264, respectively.

As a result of the restructuring, we have recognised profit on the sale and transfer of our PES Business in Financial Years 2015 and 2014 as an extraordinary item, which will not recur in Financial Year 2016 or in other future financial periods. In addition, we have also recognised revenues from the discontinued operations of our PES Business for Financial Years 2015, 2014 and 2013, which we will not recognise in Financial Year 2016 or in other future financial periods. Accordingly, the results of operations presented herein may not be comparable.

Results of Operations

The following table shows a breakdown of our results of operations (including results from our discontinued operations) and each item as a percentage of total income for the periods indicated:

	For Financial Year					
	2015		2014		2013	
	(₹ millions)	% of total income	(₹ millions)	% of total income	(₹ millions)	% of total income
Income						
Revenue from operations	49,780.36	98.2%	49,204.98	101.7%	38,514.39	99.4%
Other income	915.00	1.8%	(833.18)	(1.7)%	221.04	0.6%
Total Income	50,695.36	100%	48,371.80	100.0%	38,735.43	100.0%
Expenses						
Employee benefit expenses	29,242.73	57.7%	27,581.57	57.0%	22,485.93	58.1%
Operating expenses	4,885.63	9.6%	4,891.51	10.1%	2,920.00	7.5%
Sales, administration and other expenses	5,607.43	11.1%	5,259.07	10.9%	4,403.55	11.4%
Total Expenses	39,735.79	78.4%	37,732.15	78.0%	29,809.48	77.0%
Operating profit	10,959.57	21.6%	10,639.65	22.0%	8,925.95	23.0%
Finance costs	104.19	0.2%	305.34	0.6%	208.12	0.5%
Depreciation on tangible assets	741.55	1.5%	589.03	1.2%	508.88	1.3%
Amortisation of intangible assets	837.85	1.7%	710.72	1.5%	722.80	1.9%
	1,683.59	3.3%	1,605.09	3.3%	1,439.80	3.7%
Profit before extraordinary items and tax	9,275.98	18.3%	9,034.56	18.7%	7,486.15	19.3%
Profit from continuing operations before tax	9,266.26	18.3%	8,541.36	17.7%	6,778.37	17.5%
Tax expenses for continuing operations						
- Current tax	1,630.45	3.2%	1,681.03	3.5%	1,631.00	4.2%
- Deferred tax	35.76	0.07%	261.85	0.5%	46.99	0.1%
	1,666.21	3.3%	1,942.88	4.0%	1,677.99	4.3%
Profit from continuing operations after tax	7,600.05	15.0%	6,598.48	13.6%	5,100.38	13.2%
Profit from discontinued operations before tax	9.72	0.02%	493.20	1.0%	707.78	1.8%
Tax expenses for discontinued operations						
- Current tax	1.69	0.003%	129.25	0.3%	191.54	0.5%
Profit from discontinued operations after tax	8.03	0.02%	363.95	0.8%	516.24	1.3%
Profit for the year before minority interest..	7,608.08	15.0%	6,962.43	14.4%	5,616.62	14.5%
Minority Interest	1.90	0.004%	0.77	0.002%	0.55	0.001%
Net profit before extraordinary item	7,606.18	15.0%	6,961.66	14.4%	5,616.07	14.5%
Extraordinary items (net of tax)	79.08	0.2%	3,002.42	6.2%	-	-
Net profit after tax before restatement adjustments	7,685.26	15.2%	9,964.08	20.6%	5,616.07	14.5%
Restatement adjustments:						
Changes in accounting policies						
- Amortisation of goodwill	-	-	(85.08)	(0.2%)	137.06	0.4%

- Provision for tax	-	-	-	-	-	-
- Amortisation of cost of long-term projects	6.35	0.01%	9.52	0.02%	(15.87)	(0.04%)

Extraordinary items:

- Goodwill written off	-	-	(605.10)	(1.3%)	-	-
Net profit before extraordinary items as restated	7,612.53	15.0%	6,886.10	14.2%	5,737.26	14.8%
Extraordinary items (net of tax) as restated.	79.08	0.2%	2,397.32	5.0%	-	-
Net profit after tax as restated.....	7,691.61	15.2%	9,283.42	19.2%	5,737.26	14.8%

Segmental Reporting

Our segmental reporting comprises business and geographic segmentation.

Business segmentation

We report our continuing business operations in two business segments, which we term “clusters”: an industrial cluster (comprising the business verticals of energy and process, consumer packaged goods, retail and pharmaceuticals, hi-tech and consumer electronics, automotive and aerospace, plant equipment, and utilities, engineering and construction) and a services cluster (comprising the business verticals of banking and financial services, insurance, media and entertainment, travel and logistics and other miscellaneous business verticals). The business units within each cluster include certain horizontals from an organisational structure perspective, which are responsible for serving clients across both clusters. See “Our Business – Operations” beginning on page 124 for further information on our business clusters. In addition, our results of operations presented in this Draft Red Herring Prospectus also include a third cluster, our telecom segment, which constitutes our discontinued operations. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations – The effect of the sale and transfer of our PES Business” on page 300.

The following table shows a breakdown of our segmental revenue by our business clusters, with each item represented as a percentage of revenue from operations for the periods indicated:

	For Financial Year					
	2015		2014		2013	
	(₹ millions)	% of revenue from operations	(₹ millions)	% of revenue from operations	(₹ millions)	% of revenue from operations
Revenue from operations						
Industrials Cluster	23,391.05	47.0%	22,902.67	46.6%	16,609.06	43.1%
Services Cluster.....	26,289.89	52.8%	22,448.97	45.6%	17,669.51	45.9%
Telecom Cluster ¹	99.42	0.2%	3,853.34	7.8%	4,235.82	11.0%
Total revenue from operations	49,780.36	100%	49,204.98	100.0%	38,514.39	100.0%

¹ Revenue from operations from our telecom cluster represents revenue from our discontinued operations, and will not be recognised in future periods. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations – The effect of the sale and transfer of our PES Business” above.

The following table shows a breakdown of our segmental operating profit by our business clusters, with each item represented as a percentage of total operating profit for the periods indicated:

	For Financial Year					
	2015		2014		2013	
	(₹ millions)	% of total operating profit	(₹ millions)	% of total operating profit	(₹ millions)	% of total operating profit
Segmental Profit						
Industrials Cluster	6,123.58	52.8%	7,477.77	56.5%	5,378.29	50.1%
Services Cluster.....	5,456.21	47.1%	4,907.64	37.1%	4,095.59	38.2%
Telecom Cluster ¹	9.72	0.1%	856.31	6.4%	1,254.71	11.7%
Segmental Operating Profit.....	11,589.51	100%	13,241.72	100.0%	10,728.59	100.0%

¹ Operating profit from our telecom cluster represents operating profit from our discontinued operations, and will not be recognised in future periods. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations – The effect of the sale and transfer of our PES Business” above.

Geographic segmentation

Our revenues are generated from four main geographic markets: North America, Europe, Asia Pacific and India. We present our revenues by client location based on the location of the specific client site that we serve, irrespective of the location of the headquarters of the client or the location of the delivery center where the work is performed. See “Our Business – Geographies” from pages 134 to 137 for further details of our clients.

The following tables show a breakdown of our revenue from continuing operations and discontinued operations separately, on the basis of the geographic location of our clients, with each item represented as a percentage of revenue from continuing operations for the periods indicated:

	For Financial Year					
	2015		2014		2013	
	(₹ millions)	% of revenue from continuing operations	(₹ millions)	% of revenue from continuing operations	(₹ millions)	% of revenue from continuing operations
North America	34,097.77	68.6%	30,533.28	67.3%	23,958.31	69.9%
Europe	8,862.74	17.9%	9,151.48	20.1%	6,266.61	18.2%
Asia Pacific	1,199.12	2.4%	1,161.06	2.6%	788.03	2.3%
India	2,075.90	4.2%	1,530.53	3.4%	1,252.25	3.7%
Rest of the world	3,445.41	6.9%	2,975.29	6.6%	2,013.37	5.9%
Revenue from continuing operations (A)	49,680.94	100%	45,351.64	100.0%	34,278.57	100.0%

	For Financial Year					
	2015		2014		2013	
	(₹ millions)	% of revenue from discontinued operations	(₹ millions)	% of revenue from discontinued operations	(₹ millions)	% of revenue from discontinued operations
North America	-	-	1,771.37	46.0%	1,834.22	43.3%
Europe	99.42	100.0%	336.41	8.7%	107.58	2.5%
Asia Pacific	-	-	982.37	25.5%	1,358.72	32.1%
India	-	-	760.45	19.7%	924.27	21.8%
Rest of the world	-	-	2.74	0.1%	11.03	0.3%
Revenue from discontinued operations (B)	99.42	100%	3,853.34	100%	4,235.82	100%
Revenue from Operations (A + B)	49,780.36	-	49,204.98	-	38,514.39	-

Results of discontinued operations

Our consolidated Restated Financial Statements include results of our discontinued operations, before the sale and transfer of our PES Business to LTTSL (see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations - The effect of the sale and transfer of our PES Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Note Regarding Non-Comparability of Results of Operations” above).

The following table shows a summary breakdown of results of our discontinued operations, with each item represented as a percentage of the total thereof for the periods indicated:

For Financial Year		
2015	2014	2013
(₹ millions) ¹	(₹ millions) ²	(₹ millions) ³

Total revenues from operations	99.42	3,853.34	4,235.82
Total expenses	(89.70)	(3,360.14)	(3,528.04)
Profit before taxes	9.72	493.20	707.78
Income taxes	(1.69)	(129.25)	(191.54)
Profit after taxes	8.03	363.95	516.24

¹ Includes results of operations for five months, from April 1, 2014 to August 30, 2014. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations – The effect of the sale and transfer of our PES Business” above.

² Includes results of operations for nine months, from April 1, 2013 to December 31, 2013. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations – The effect of the sale and transfer of our PES Business” above.

³ Includes results of operations for twelve months for Financial Year 2013. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations – The effect of the sale and transfer of our PES Business” above.

Components of Income and Expenses

The components of our income and expenses are as set forth below:

Income

Our revenue comprises revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises revenue from continuing operations and revenue from discontinued operations.

Revenue from continuing operations

We generate revenue from our continuing operations through time-and-materials contracts and fixed-price contracts by providing IT services and solutions to our clients in our industrials and services clusters.

Revenue from discontinued operations

Our revenue from discontinued operations comprises revenue generated by providing IT services and solutions to our clients in our telecom cluster, which was sold and transferred to LTTSL. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations- Significant Factors Affecting Our Results of Operations – The effect of the sale and transfer of our PES Business”.

Other income

Our other income primarily consists of income from investments in mutual funds, profit on sale of fixed assets, interest received, foreign exchange gains (or losses) and miscellaneous income.

Expenses

Our expenses comprise expenses attributable to continuing operations and expenses attributable to discontinued operations.

Expenses attributable to continuing operations

Our expenses attributable to continuing operations include employee benefit expenses, operating expenses, sales, administration and other expenses, finance costs, depreciation and amortisation, and tax expenses.

Employee benefit expenses

Employee benefit expenses comprise salaries (including overseas staff expenses); staff welfare; contributions to provident and other funds; contributions to superannuation funds and contributions to gratuity funds.

Operating expenses

Operating expenses comprise communication expenses; operating lease charges; consultancy charges; cost of software packages for own use; insurance; and the cost of bought-out items for resale.

Sales, administration and other expenses

Sales, administration and other expenses primarily comprise rent and establishment expenses; travelling and conveyance; legal and professional charges; telephone charges and postage; rates and taxes; power and fuel and other miscellaneous expenses.

Finance costs

Finance costs comprise interest paid on fixed loans, external commercial borrowings and lease finance charges. Exchange losses on borrowings are also accounted for as part of finance costs.

Depreciation and amortisation

Tangible and intangible assets are amortised over periods corresponding to their estimated useful lives. See “ – Critical Accounting Policies – Depreciation and amortisation”, below.

Expenses attributable to discontinued operations

Our expenses attributable to discontinued operations comprise expenses incurred by our telecom cluster, before the sale and transfer of our PES Business to LTTSL. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations - The effect of the sale and transfer of our PES Business” on page 300.

Tax expense for continuing operations

Tax expenses for continuing operations comprise current tax and deferred tax. Current income tax is the amount expected to be paid to the tax authorities in accordance with the applicable tax laws in relevant jurisdictions. Deferred income tax reflects the impact of timing differences between taxable income and accounting income.

Tax expenses attributable to discontinued operations

Tax expenses attributable to discontinued operations comprise tax expenses incurred by our telecom cluster, before the sale and transfer of our PES Business to LTTSL. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting Our Results of Operations - The effect of the sale and transfer of our PES Business” for further details on page 300.

Financial Year 2015 Compared to Financial Year 2014

Income

Our total income increased by 4.8% to ₹ 50,695.36 million for Financial Year 2015 from ₹ 48,371.80 million for Financial Year 2014, primarily due to an increase in our revenue from continuing operations. See “ – Note Regarding Non-Comparability of Results of Operations” for details in relation to the non-comparability of the financial results for Financial Year 2014 and 2015 in light of the sale and transfer of our PES Business.

Revenue from continuing operations

Our revenue from continuing operations increased by 9.5% to ₹ 49,680.94 million for Financial Year 2015 from ₹ 45,351.64 million for Financial Year 2014, primarily as a result of growth in our revenues in our banking and financial services, insurance and consumer packaged goods, retail and pharmaceuticals business verticals, as well as our testing and IMS service lines, which was partially offset by lower revenues from continuing operations in our energy and process business vertical.

Revenue from continuing operations in North America increased by 11.7% to ₹ 34,097.77 million for Financial Year 2015 from ₹ 30,533.28 million for Financial Year 2014, primarily as a result of growth in our banking and financial services and insurance business verticals. Revenue from continuing operations in Europe decreased by 3.2% to ₹ 8,862.74 million for Financial Year 2015 from ₹ 9,151.48 million for Financial Year 2014, primarily as a result of the completion of a large Oracle-related implementation project and the decisions of certain clients to defer the usage of their IT-related budgets, in the Nordic region. Revenue from continuing operations in Asia-

Pacific increased by 3.3% to ₹ 1,199.12 million for Financial Year 2015 from ₹ 1,161.06 million for Financial Year 2014, primarily as a result of growth in our banking and financial services business vertical and IMS service line in Singapore. Revenue from continuing operations in India increased by 35.6% to ₹ 2,075.90 million for Financial Year 2015 from ₹ 1,530.53 million for Financial Year 2014, primarily as a result of our being engaged in relation to certain government projects. Revenue from continuing operations in the rest of the world increased by 15.8% to ₹ 3,445.41 million for Financial Year 2015 from ₹ 2,975.29 million for Financial Year 2014, primarily as a result of growth in our banking and financial services business vertical and testing service line in South Africa.

Our USD revenue from continuing operations comprise revenues denominated in USD, in addition to amounts in foreign currencies across our operations, that are converted into USD using the month-end/day-end exchange rates for the relevant period. Such revenues increased by 8.5% to \$809.9 million for Financial Year 2015 from \$746.6 million for Financial Year 2014, primarily as a result of growth in our revenue from continuing operations in our banking and financial services, insurance and consumer packaged goods, retail and pharmaceuticals business verticals.

Revenue from discontinued operations

Our revenue from discontinued operations was ₹ 99.42 million for Financial Year 2015 and ₹ 3,853.34 million for Financial Year 2014. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Note Regarding Non-Comparability of Results of Operations”, above for further details.

Other Income

Our other income increased to ₹ 915.00 million for Financial Year 2015 from a loss of ₹ 833.18 million for Financial Year 2014. This was primarily due to a foreign exchange gain of ₹ 667.81 million in Financial Year 2015 compared with a foreign exchange loss of ₹ 1,048.05 million in Financial Year 2014, primary attributable to gains and losses in relation to the settlement of forward contracts.

Expenses

Our total expenses increased by 5.3% to ₹ 39,735.79 million for Financial Year 2015 from ₹ 37,732.15 million for Financial Year 2014, primarily as a result of an increase in employee benefit expenses, which was attributable to the growth of our continuing operations. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Note Regarding Non-Comparability of Results of Operations”, above for further details.

Our expenses attributable to continuing operations increased by 15.3% to ₹ 39,646.09 million for Financial Year 2015 from ₹ 34,372.01 million for Financial Year 2014, primarily as a result of an increase in employee benefit expenses, which was attributable to the growth of our continuing operations.

Our expenses attributable to discontinued operations were ₹ 89.70 million for Financial Year 2015 and were ₹ 3,360.14 million in Financial Year 2014. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Note Regarding Non-Comparability of Results of Operations” above for further details.

Employee benefit expenses

Our employee benefit expenses increased by 6.0% to ₹ 29,242.73 million for Financial Year 2015 (which represented 57.7% of our total income for such year) from ₹ 27,581.57 million for Financial Year 2014 (which represented 57.0% of our total income for such year), primarily as a result of a 6.9% increase in salaries and incentives, including overseas staff expenses, to ₹ 28,056.30 million from ₹ 26,246.94 million, which is attributable to an increase of 10.3% in the number of our employees to 19,479 employees as of March 31, 2015 from 17,627 employees as of March 31, 2014 due to the growth of our operations, in addition to our further usage of local hires. This increase was partially offset by a better resource mix in the way we provide our IT services and solutions to clients.

Operating expenses

Our operating expenses decreased by 0.1% to ₹ 4,885.63 million for Financial Year 2015 (which represented 9.6% of our total income for such year) from ₹ 4,891.51 million for Financial Year 2014 (which represented

10.1% of our total income for such year), primarily as a result of changes in relation to our external sub-contractors and consultant charges, which is largely attributable to such expenses for our PES Business being incurred in Financial Year 2014 and not in Financial Year 2015. The cost savings were partially offset by an increase of 35.5% in the cost of bought-out items for resale (which relates to the purchase of hardware and software licenses), primarily as a result of certain clients requiring specific hardware and software licenses in relation to the IT services and solutions that we provided to them.

Sales, administration and other expenses

Our sales, administration and other expenses increased by 6.6% to ₹ 5,607.43 million for Financial Year 2015 (which represented 11.1% of our total income for such year) from ₹ 5,259.07 million for Financial Year 2014 (which represented 10.9% of our total income for such year), primarily as a result of increases in allowance for doubtful debts and advances attributable to a one-time provision for doubtful debts in relation to a large project in our banking and financial services business vertical, higher tax rates and taxes payable in relation to the growth of our operations and a non-recurring payment of California state taxes pursuant to a judicial order.

Finance costs

Our finance costs decreased by 65.9% to ₹ 104.19 million for Financial Year 2015 from ₹ 305.34 million for Financial Year 2014, primarily as a result of a 76.4% decrease in foreign exchange losses on borrowings to ₹ 47.96 million from ₹ 203.17 million, as well as a 53.7% decrease in interest payable on fixed loans to ₹ 46.94 million from ₹ 101.32 million, in each case, attributable to the repayment of loans.

Depreciation and amortisation

Our depreciation on tangible assets increased by 25.9% to ₹ 741.55 million for Financial Year 2015 from ₹ 589.03 million for Financial Year 2014, and our amortisation of intangible assets increased by 17.9% to ₹ 837.85 million for Financial Year 2015 from ₹ 710.72 million for Financial Year 2014. In accordance with Schedule II of the Companies Act, 2013, as amended, we determined that the remaining useful life of our assets based on a technical evaluation thereof resulted in additional depreciation of ₹ 69.21 million for Financial Year 2015.

Profit before extraordinary items and tax

As a result of the foregoing factors, our profit before extraordinary items and tax was ₹ 9,275.98 million for Financial Year 2015 (which represented 18.3% of our total income for such year) and ₹ 9,034.56 million for Financial Year 2014 (which represented 18.7% of our total income for such year).

Profit from continuing operations before tax

As a result of the foregoing factors, our profit from continuing operations before tax increased by 8.5% to ₹ 9,266.26 million for Financial Year 2015 (which represented 18.3% of our total income for such year) from ₹ 8,541.36 million for Financial Year 2014 (which represented 17.7% of our total income for such year).

Tax expenses

Our current tax decreased by 3.0% to ₹ 1,630.45 million for Financial Year 2015 from ₹ 1,681.03 million for Financial Year 2014. This decrease was primarily due to an increase in the tax benefits on our taxable income from SEZs.

Our deferred tax charge decreased by 86.3% to ₹ 35.76 million for Financial Year 2015 from ₹ 261.85 million for Financial Year 2014. This decrease is primarily attributable to a one-time provision in Financial Year 2014 for future taxes payable on branch profits.

As a result of the foregoing factors, our total tax expense decreased by 14.2% to ₹ 1,666.21 million for Financial Year 2015 from ₹ 1,942.88 million for Financial Year 2014.

Extraordinary items and profit from discontinued operations after tax

We had an extraordinary gain (net of tax) of ₹ 79.08 million for Financial Year 2015 against ₹ 3,002.42 million for Financial Year 2014, which pertains to profit from sale and transfer of our PES Business to LTTSL.

Similarly, our profit from discontinued operations after tax was ₹ 8.03 million for Financial Year 2015 as compared to ₹ 363.95 million for Financial Year 2014. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations– Note Regarding Non-Comparability of Results of Operations” for details.

Net profit before extraordinary items as restated

As a result of the foregoing factors, our net profit before extraordinary items as restated was ₹ 7,612.53 million for Financial Year 2015 and ₹ 6,886.10 million for Financial Year 2014.

Extraordinary items (net of tax) as restated

As a result of the foregoing factors, our net profit as restated from extraordinary items decreased to ₹ 79.08 million for Financial Year 2015 from ₹ 2,397.32 million for Financial Year 2014.

Net profit after tax, as restated

As a result of the foregoing factors, our net profit as restated was ₹ 7,691.61 million for Financial Year 2015 and ₹ 9,283.42 million for Financial Year 2014.

Financial Year 2014 Compared to Financial Year 2013

Income

Our total income increased by 24.9% to ₹ 48,371.80 million for Financial Year 2014 from ₹ 38,735.43 million for Financial Year 2013, due to an increase in revenue from continuing operations. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations– Note Regarding Non-Comparability of Results of Operations” for details in relation to the non-comparability of the financial results for Financial Years 2014 and 2015 in light of the sale and transfer of our PES Business.

Revenue from continuing operations

Our revenue from continuing operations increased by 32.3% to ₹ 45,351.64 million for Financial Year 2014 from ₹ 34,278.57 million for Financial Year 2013, primarily as a result of growth in our revenue from continuing operations in our energy and process, consumer packaged goods, retail and pharmaceuticals and insurance business verticals, as well as our ERP and testing service lines, which was partially offset by muted growth in our banking and financial services business vertical.

Revenue from continuing operations in North America increased by 27.4% to ₹ 30,533.28 million for Financial Year 2014 from ₹ 23,958.31 million for Financial Year 2013, primarily as a result of growth in our energy and process and insurance business verticals. Revenue from continuing operations in Europe increased by 46.0% to ₹ 9,151.48 million for Financial Year 2014 from ₹ 6,266.61 million for Financial Year 2013, primarily as a result of growth in the Nordic region and France in relation to our energy and process and insurance business verticals. Revenue from continuing operations in Asia-Pacific increased by 47.3% to ₹ 1,161.06 million for Financial Year 2014 from ₹ 788.03 million for Financial Year 2013, primarily as a result of growth in our energy and process business vertical in Australia and Singapore. Revenue from our operations in India increased by 22.2% to ₹ 1,530.53 million for Financial Year 2014 from ₹ 1,252.25 million for Financial Year 2013, primarily as a result of growth in our insurance and banking and financial services business verticals. Revenue from our operations in the rest of the world increased by 47.8% to ₹ 2,975.29 million for Financial Year 2014 from ₹ 2,013.37 million for Financial Year 2013, primarily as a result of growth in South Africa as a result of a large new contract in relation to banking and financial services testing.

Our USD revenue from continuing operations comprise amounts in foreign currencies across our operations, excluding the United States, that are converted into USD using the month-end/day-end exchange rates for the relevant period. Such revenues increased by 18.5% to \$746.6 million for Financial Year 2014 from \$630.0 million for Financial Year 2013, primarily as a result of growth in our energy and process and insurance business verticals.

Revenue from discontinued operations

Our revenue from discontinued operations was ₹ 3,853.34 million for Financial Year 2014 and ₹ 4,235.82

million for Financial Year 2013. For further details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations– Note Regarding– Non Comparability of Results of Operations”, above.

Other income

We incurred a loss of ₹ 833.18 million for Financial Year 2014 as against a gain of ₹ 221.04 million for Financial Year 2013. This was primarily due to an increase in a foreign exchange loss of ₹ 1,048.05 million in Financial Year 2014 compared to a foreign exchange loss of ₹ 19.25 million in Financial Year 2013, which is primarily attributable to gains and losses in relation to the settlement of forward contracts

Expenses

Our total expenses increased by 26.6% to ₹ 37,732.15 million for Financial Year 2014 from ₹ 29,809.48 million for Financial Year 2013, primarily as a result of an increase in employee benefit expenses, which was attributable to the growth of our continuing operations.

Our expenses attributable to continuing operations increased by 30.8% to ₹ 34,372.01 million for Financial Year 2014 from ₹ 26,281.44 million for Financial Year 2013, primarily as a result of an increase in employee benefit expenses, which was attributable to the growth of our continuing operations.

Our expenses attributable to discontinued operations were ₹ 3,360.14 million for Financial Year 2014 and ₹ 3,528.04 million in Financial Year 2013. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Note Regarding Non-Comparability of Results of Operations” above for further details.

Employee benefit expenses

Our employee benefit expenses increased by 22.7% to ₹ 27,581.57 million for Financial Year 2014 (which represented 57.0% of our total income for such year) from ₹ 22,485.93 million for Financial Year 2013 (which represented 58.1% of our total income for such year), primarily as a result of a 23.1% increase in salaries and incentives, including overseas staff expenses, to ₹ 26,246.94 million from ₹ 21,323.31 million, which was attributable to the growth of our operations and higher recruitment of sales and marketing personnel. Such increase is attributable to an increase of 10.2% in the number of our employees to 17,627 employees at the end of Financial Year 2014 from 15,833 employees at the end of Financial Year 2013. This increase was partially offset by a better resource mix in the way we provide our IT services and solutions to clients.

Operating expenses

Our operating expenses increased by 67.5% to ₹ 4,891.51 million for Financial Year 2014 (which represented 10.1% of our total income for such year) from ₹ 2,920.00 million for Financial Year 2013 (which represented 7.5% of our total income for such year), primarily as a result of an increase of 75.6% in consultancy charges attributable to an increase in services performed for clients requiring us to work with external sub-contractors and consultants in relation thereto, as well as an increase of 101.5% in the cost of bought-out items for resale, which is generally in line with the increase in revenue generated through the resale of hardware and software licenses in relation to the IT services and solutions that we provided to our clients, and an increase of 50.2% in our communication expenses primarily for our Delivery Centres due to our growth of operations and international expansion.

Sales, administration and other expenses

Our sales, administration and other expenses increased by 19.4% to ₹ 5,259.07 million for Financial Year 2014 (which represented 10.9% of our total income for such year) from ₹ 4,403.55 million for Financial Year 2013 (which represented 11.4% of our total income for such year), primarily as a result of increases in traveling and conveyance and miscellaneous expenses; higher legal and professional charges; and tax rates and taxes payable in line with growth in our operations.

Finance costs

Our finance costs increased by 46.7% to ₹ 305.34 million for Financial Year 2014 from ₹ 208.12 million for Financial Year 2013, primarily as a result of an increase in foreign exchange losses on borrowings due to the depreciation of the Rupee vis-a-vis the USD and the Euro in particular, and an increase in interest paid on fixed

loans attributable to our additional usage of indebtedness for the funding of our business.

Depreciation and amortisation

Our depreciation on tangible assets increased by 15.8% to ₹ 589.03 million for Financial Year 2014 from ₹ 508.88 million for Financial Year 2013, primarily as a result of an increase in our asset base after the expansion of certain of our facilities, IT assets and internally development of software, net of reductions in fixed assets related to the transfer and sale of our PES Business to LTTSL. Our amortisation of intangible assets decreased by 1.7% to ₹ 710.72 million for Financial Year 2014 from ₹ 722.80 million for Financial Year 2013, primarily as a result of a reduction in charges related to the intangible assets of our PES Business after the sale and transfer of such business to LTTSL.

Profit before extraordinary items and tax

As a result of the foregoing factors, our profit before extraordinary items and tax increased by 20.7% to ₹ 9,034.56 million for Financial Year 2014 (which represented 18.7% of our total income for such year) from ₹ 7,486.15 million for Financial Year 2013 (which represented 19.3% of our total income for such year).

Profit from continuing operations before tax

As a result of the foregoing factors, our profit from continuing operations before tax increased by 26.0% to ₹ 8,541.36 million for Financial Year 2014 (which represented 17.7% of our total income for such year) from ₹ 6,778.37 million for Financial Year 2013 (which represented 17.5% of our total income for such year).

Tax expense

Our current tax increased by 3.1% to ₹ 1,681.03 million for Financial Year 2014 from ₹ 1,631.00 million for Financial Year 2013. This increase was primarily due to an increase in our current tax liability as a result of growth in continuing operations, but was partially offset by an increase in the proportion of profits enjoying tax benefits under SEZs in Financial Year 2014.

Our deferred tax charge increased to ₹ 261.85 million for Financial Year 2014 from ₹ 46.99 million for Financial Year 2013. This increase was primarily a result of a one-time provision in Financial Year 2014 for future taxes payable on branch profits.

As a result of the foregoing factors, our total tax expense increased by 15.8% to ₹ 1,942.88 million for Financial Year 2014 from ₹ 1,677.99 million for Financial Year 2013.

Extraordinary items and profit from discontinued operations after tax

Gains from extraordinary items were ₹ 3,002.42 million for Financial Year 2014 as against nil for Financial Year 2013 as a result of the recognition of profits from the sale and transfer of our PES Business to LTTSL.

Our profit from discontinued operations after tax decreased by 29.5% to ₹ 363.95 million for Financial Year 2014 from ₹ 516.24 million for Financial Year 2013, primarily because discontinued operations were carried out for nine-month period during Financial Year 2014 as against a twelve-month period in Financial Year 2013.

Net profit before extraordinary items as restated

As a result of the foregoing factors, our net profit before extraordinary items as restated was ₹ 6,886.10 million for Financial Year 2014 and ₹ 5,737.26 million for Financial Year 2013.

Extraordinary items (net of tax) as restated

As a result of the foregoing factors, gains from extraordinary items (net of tax) as restated were ₹ 2,397.32 million for Financial Year 2014 as against nil for Financial Year 2013.

Total profit for the year, as restated

As a result of the foregoing factors, our total profit, as restated increased by 61.8% to ₹ 9,283.42 million for Financial Year 2014 from ₹ 5,737.26 million for Financial Year 2013.

Liquidity and Capital Resources

Liquidity

We have historically met our working capital and other capital expenditure requirements primarily from cash generated by operating activities, short-term and long-term bank borrowings. We believe that we have adequate working capital for our present requirements and that our net cash generated from operating activities, together with cash and cash equivalents, will provide sufficient funds to satisfy our working capital requirements and anticipated capital expenditures for the next 12 months following the date of this Draft Red Herring Prospectus. We may, however, incur additional indebtedness to finance all or a portion of our capital expenditures or for any other purposes depending on our capital requirements, market conditions and other factors.

Cash flows

The table below summarises our cash flows for the periods indicated:

Cash Flow Data	For Financial Year (₹ millions)		
	2015	2014	2013
Net cash (used) / generated from operations (A)	6,422.54	6,278.61	6,076.49
Net cash from / (used) in investing activities (B)	(1,028.63)	1,803.31	(2,241.75)
Net cash (used) in financing activities (C)	(4,973.81)	(7,686.53)	(3,962.11)
Net increase / (decrease) in cash and cash equivalents (D = A+B+C)	420.10	395.39	(127.37)
Opening cash and cash equivalents (F)	1,589.11	1,193.72	1,321.09
Closing cash and cash equivalents (D + F)	2,009.21	1,589.11	1,193.72

Cash flow from operating activities

Net cash generated from our operating activities was ₹ 6,422.54 million for Financial Year 2015. Our net profit before tax (excluding extraordinary items), as restated was ₹ 9,282.33 million for Financial Year 2015, which was adjusted mainly for depreciation and amortisation of ₹ 1,579.41 million and unrealised foreign exchange gain of ₹ 568.72 million. As a result, our operating profit before working capital changes was ₹ 10,112.10 million for Financial Year 2015. This was further adjusted primarily for an increase in our working capital of ₹ 922.44 million. The increase in our working capital was primarily attributable to increases in trade receivables and other receivables of ₹ 1,979.71 million and ₹ 107.57 million, respectively, which was partially offset by an increase in trade payables of ₹ 1,164.84 million. Cash generated from our operations was ₹ 9,189.66 million in Financial Year 2015, adjusted for direct taxes paid of ₹ 2,767.12 million. As a result, our net cash generated from operating activities was ₹ 6,422.54 million for Financial Year 2015.

Net cash generated from operating activities was ₹ 6,278.61 million for Financial Year 2014. Our net profit before tax (excluding extraordinary items), as restated was ₹ 8,959.00 million for Financial Year 2014, which was adjusted mainly for depreciation and amortisation of ₹ 1,384.83 million and unrealised foreign exchange gains of ₹ 516.63 million. As a result, our operating profit before working capital changes was ₹ 9,827.07 million for Financial Year 2014. This was further adjusted primarily for an increase in our working capital of ₹ 1,407.54 million. The increase in our working capital was primarily attributable to increases in trade receivables and other receivables of ₹ 1,906.36 million and ₹ 833.78 million, respectively, which was partially offset by an increase in trade and other payables of ₹ 1,332.60 million. Cash generated from our operations was ₹ 8,419.53 million in Financial Year 2014, adjusted for direct taxes paid of ₹ 2,140.92 million. As a result, our net cash generated from operating activities was ₹ 6,278.61 million for Financial Year 2014.

Net cash generated from operating activities was ₹ 6,076.49 million for Financial Year 2013. Our net profit before tax (excluding extraordinary items), as restated was ₹ 7,607.34 million for Financial Year 2013, which

was adjusted mainly for depreciation and amortisation of ₹ 1,094.62 million and unrealised foreign exchange gains of ₹ 202.23 million. As a result, our operating profit before working capital changes was ₹ 8,992.21 million for Financial Year 2013. This was further adjusted primarily for an increase in our working capital of ₹ 819.40 million. This increase in our working capital was primarily attributable to an increase in trade receivables of ₹ 1,048.97 million and a decrease in trade and other payables of ₹ 241.25 million, which was partially offset by a decrease in other payables of ₹ 470.82 million. Cash generated from our operations was ₹ 8,172.81 million in Financial Year 2013, adjusted for direct taxes paid of ₹ 2,096.32 million. As a result, our net cash generated from operating activities was ₹ 6,076.49 million for Financial Year 2013.

Cash flow used for/from investing activities

Net cash used for investing activities (after extraordinary items) was ₹ 1,028.63 million for Financial Year 2015, which was primarily attributable to our purchase of fixed assets amounting to ₹ 1,964.04 million. This was partially offset by proceeds from the sale of current investments of ₹ 793.52 million and proceeds from the sale and transfer of our PES Business to LTTSL amounted to ₹ 93.95 million in Financial Year 2015.

Net cash generated from investing activities (after extraordinary items) was ₹ 1,803.31 million for Financial Year 2014, which was primarily attributable to proceeds from the sale and transfer of our PES Business to LTTSL amounting to ₹ 3,799.62 million and our sale of fixed assets for ₹ 233.62 million. This was partially offset by our purchase of fixed assets amounting to ₹ 1,183.28 million and purchase of current investments amounting to ₹ 1,121.56 million.

Net cash used for investing activities (after extraordinary items) was ₹ 2,241.75 million for Financial Year 2013, which was primarily attributable to our purchase of fixed assets amounting to ₹ 2,535.83 million. This was partially offset by cash generated from the sale of current investments amounting to ₹ 207.63 million and our sale of fixed assets for ₹ 56.47 million.

For further details in relation to our fixed assets referenced above, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations– Capital Expenditures – Historical Capital Expenditures” on page 313.

Cash flow used in financing activities

Net cash used in financing activities was ₹ 4,973.81 million for Financial Year 2015, mainly consisting of the payment of dividends of ₹ 4,805.25 million and dividend tax of ₹ 1,125.56 million. This was partially offset by proceeds from borrowings of ₹ 1,013.23 million.

Net cash used in financing activities was ₹ 7,686.53 million for Financial Year 2014, mainly consisting of the payment of dividends of ₹ 5,514.75 million, a dividend tax of ₹ 840.95 million and the repayment of borrowings of ₹ 1,228.66 million.

Net cash used in financing activities was ₹ 3,962.11 million for Financial Year 2013, mainly consisting of the payment of dividends of ₹ 3,031.50 million, a dividend tax of ₹ 456.93 million and the repayment of borrowings of ₹ 377.21 million.

Borrowings

To fund our working capital and capital expenditure requirements, we enter into long-term and short-term credit facilities. Our borrowings are a mix of Rupee and foreign currency borrowings.

The following table shows certain information about our borrowings as of March 31, 2015:

	(₹ millions)
Long-term borrowings:	
Secured	-
Unsecured	138.89
Total	138.89
Short-term borrowings:	
Secured	600.00

Unsecured	1,297.48
Total	1,897.48
Current maturities of long-term borrowings:	
Secured	-
Unsecured	138.89
Total	138.89
Total borrowings	2,175.26

Of our total outstanding borrowings of ₹ 2,175.26 million as of March 31, 2015, ₹ 600.00 million was denominated in Rupees and ₹ 1,575.26 million was denominated in USD. The principal amounts outstanding under the borrowings bear interest either at a fixed rate or at a floating rate. As of March 31, 2015, we had outstanding loans of ₹ 1,575.26 million that bear interest at floating rates. The interest rates on our Rupee-denominated loans are fixed and the interest rates on our foreign currency loans are floating. Our floating rate borrowings are generally linked to the London interbank offer rate and base rates of banks. For a description of indicative terms of our material indebtedness, see “Financial Indebtedness” beginning on page 294.

Contractual Obligations

The table below summarises our contractual obligations and commitments as of March 31, 2015 as classified by maturity:

	Payment due by period			
	Total	Less than one year	Between one and five years	Later than five years
				(₹ millions)
Short-term borrowings	1,897.48	1,897.48	-	-
Long-term borrowings	277.78	138.89	138.89	-
Lease obligations	547.59	73.43	474.16	-
Trade payables	2,719.47	2,719.47	-	-
Contracts on capital account	312.83	312.83	-	-
Total	5,755.15	5,142.10	613.05	-

Contingent Liabilities

Set forth below is a breakdown of our contractual obligations and commercial commitments as of March 31, 2015, 2014 and 2013 as classified by maturity on the basis of our consolidated Restated Financial Statements. For further details, see “Financial Statements- Restated consolidated statement of contingent liabilities” on page 284:

	As of March 31,		
	2015	2014	2013
			(₹ in millions)
Contingent liabilities			
Income tax demand dispute in appeal	1,167.47	910.03	48.22
Corporate guarantee given on behalf of subsidiary	5,395.70	5,681.29	5,445.98
Service tax demand dispute in appeal	4.52	-	-
Bill discounted with banks	-	-	59.71
Others	1.3		
Total	6,568.99	6,591.32	5,553.91

Off-Balance Sheet Arrangements

Except as set forth above, we do not have any other off-balance sheet arrangements, derivative instruments or other relationships with unconsolidated entities that have been established for the purpose of facilitating off-balance sheet arrangements.

Capital Expenditures

Historical Capital Expenditures

Historically, we have incurred capital expenditure in the normal course of our business in relation to the expansion of our facilities, acquisition of hardware, software licensing rights and acquisition of businesses and we expect to continue to incur such capital expenditure in the future.

Financial Year 2015

During Financial Year 2015, our capital expenditures were ₹ 1,964.04 million and primarily comprised:

- Tangible assets: We incurred major capital expenditure on facilities and IT assets for the expansion of Delivery Centres in SEZs located in Airoli and Pune, India; and
- Intangible assets: As a result of our acquisition of Information Systems Resource Centre Private Limited, we acquired goodwill of ₹ 614.56 million.

Financial Year 2014

During Financial Year 2014, our capital expenditures were ₹ 1,183.28 million and primarily comprised:

- Tangible assets: We incurred major capital expenditure on facilities and IT assets for the expansion of Delivery Centres in SEZs located in Airoli, Pune, Chennai and Bengaluru, India; and
- Intangible assets: We incurred major software development expenses for enhancements to our product platform in Canada (i.e., Unitrax[®]) and software purchased for Delivery Centres located in Canada.

Financial Year 2013

During Financial Year 2013, our capital expenditures were ₹ 2,535.83 million and primarily comprised:

- Tangible assets: We incurred major capital expenditure on facilities and IT assets for the expansion of Delivery Centres in SEZs located in Airoli, India, for the setting-up of a Delivery Centre in South Africa, and for the setting-up of a Delivery Centre and sales office in Canada.
- Intangible assets: We incurred major software development expenses for enhancements to our product platform in Canada (i.e., Unitrax[®]) and software purchased for Delivery Centres located in Canada

Planned Capital Expenditure

We expect to fund our future capital expenditure plans through funds generated from our operations in a manner that is generally consistent with past practice in relation thereto.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties, including our affiliates on an arm's length basis for Financial Years 2013 to 2015. For further details, see "Related Party Transactions" on page 192.

Seasonality

Our results of operations do not generally exhibit seasonality. However, there may be variation in our quarterly income or profit after tax as a result of various factors, including those described above under "Management's Discussion and Analysis of Financial Condition and Results of Operations— Factors Affecting Our Results of

Operations” and those described in “Risk Factors” beginning on pages 296 and 19, respectively.

Quantitative and Qualitative Disclosures about Market Risk

General

Market risk is attributable to all market-sensitive financial instruments, including foreign currency receivables and payables. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Our exposure to market risk is a function of our revenue generating activities and any future borrowing activities in foreign currencies. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss. Most of our exposure to market risk arises out of our foreign currency accounts receivable.

Risk management procedures

We manage market risk through treasury operations, which include the management of cash resources, implementing hedging strategies for foreign currency exposures and ensuring compliance with market risk limits and policies.

Foreign Currency Exchange Rate Risk

Although our Company’s reporting currency is in Rupees, we transact a significant portion of our business in several other currencies. Approximately 95.8% and 95.3% of our revenue from operations in Financial Year 2015 and Financial Year 2014, respectively, were derived from sales outside of India. Substantially all of our non-Indian sales income is denominated in foreign currencies, primarily in USD and Euro.

Further, we continue to incur in currencies other than in Rupee indebtedness in the form of external commercial borrowings, which creates foreign currency exposure in respect of our cash flows and ability to service such debt.

Therefore, our exchange rate risk primarily arises from our foreign currency revenues, costs and other foreign currency assets and liabilities to the extent that there is no natural hedge. While from time to time we hedge our foreign currency exposure, we may be affected by significant fluctuations in the exchange rates between the Rupee and other currencies.

Interest Rate Risk

We are exposed to market risk with respect to changes in interest rates related to our borrowings. Interest rate risk exists with respect to our indebtedness that bears interest at floating rates tied to certain benchmark rates. While we hedge the interest rates on certain of our indebtedness in currencies other than in Rupee, if the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase.

As of March 31, 2015, we had outstanding loans of ₹ 1,575.26 million that bear interest at floating rates. Interest rate risk exists with respect to our indebtedness that bears interest at floating rates tied to certain benchmark rates (such as LIBOR, in the case of our external commercial borrowings) as well as borrowings that are generally announced through our credit policy measures issued twice a year. Moreover, our interest rate risk is affected primarily by the short-term interest rates set by Indian banks.

Credit Risk

We are exposed to credit risk on monies owed to us by our clients. If our clients do not pay us promptly, or at all, we may have to make provisions for, or write-off, such amounts. In Financial Year 2015 and Financial Year 2014, our trade receivables were ₹ 10,901.16 million and ₹ 9,309.86 million, respectively.

Critical Accounting Policies

We have prepared our consolidated Restated Financial Statements (beginning on page 243) in accordance with Indian GAAP. Our significant accounting policies are more fully described in Annexure IV (B) to our consolidated Restated Financial Statements from pages 252 to 259. The preparation of our consolidated Restated Financial Statements in conformity with Indian GAAP requires our management to make judgements, estimates and assumptions as disclosed in Annexure IV (B) to our consolidated Restated Financial Statements from pages

252 to 259 that affects the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities in our consolidated Restated Financial Statements. The critical accounting policies that our management believes to be the most significant are disclosed below.

Preparation of financial statements

Our Restated Consolidated Financial Statements are prepared from the audited financials of the years ending March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, in accordance with the requirements of section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment Securities) Rules, 2014 (the “Rules”) and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 as amended (the “Regulations”).

Revenue recognition

Revenues from contracts with our clients that are priced on a time-and-materials basis are recognised when services are rendered and related costs are incurred.

Revenues from services performed on a fixed-price basis are recognised using the proportionate completion method.

Unbilled revenue represents the value of services performed in accordance with the contract terms, but which has not yet been billed to the customer.

Depreciation and amortisation

Tangible owned assets

For Financial Year 2015, depreciation on assets is provided based on the useful life prescribed in Schedule II to the Companies Act, 2013, as amended, except for leasehold improvements which are depreciated over the lease period.

Depreciation/ amortisation on additions/ disposals are calculated pro-rata from/ to the month of additions/ disposals.

For Financial Years 2014, 2013, 2012 and 2011, depreciation on all assets was calculated using the straight line method at rates prescribed by Schedule XIV to the Companies Act, 1956, as amended, except for plant and machinery (at the rate of 4.75% to 20%), computers (at the rate of 20% to 30%), servers (at the rate of 25%), furniture and fixtures (at the rate of 10% to 20%), office equipment (at the rate of 20% to 33.33%) and motor vehicles (at the rate of 14.14%).

Tangible leased assets

Assets acquired under finance leases are depreciated at the rates applicable to similar assets owned by our Company as there is reasonable certainty that our Company shall obtain ownership of the assets at the end of the lease term. Leasehold land is depreciated over the residual period of the lease.

Foreign subsidiaries

Depreciation for the assets of foreign subsidiaries is provided using methods and at the rates required and/or deemed permissible by the local laws, to which such foreign subsidiaries are subject, and so as to write off the assets over their useful lives.

Intangible assets and amortisation

The basis of amortisation of intangible assets is as follows:

- Computer software: Over a period of 3 years;
- Intellectual property rights: Over a period of 3 years;
- Acquired software: Over a period of 10 years;

- Internally developed software: Over a period 1 to 5 years;
- Business rights: Over a period of 5 years; and
- Customer contracts: Over a period of 10 years.

Foreign currency transactions

Foreign currency transactions are initially recorded at the rates prevailing on the date of the transaction. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

The translation of foreign currency transactions by overseas branches and subsidiaries is as under:

- Revenue items: at the average rate for the period;
- Fixed assets and investments: at the rates prevailing on the date of the transaction; and
- Other assets and liabilities: at year-end rates.

Exchange differences on settlement and/or year-end conversions are adjusted and charged to the profit and loss account.

Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitments and/or of highly probable forecast transactions are treated as foreign currency transactions and accounted for accordingly. Exchange differences arising on such contracts are recognised in the period in which they arise and the premium paid/received is accounted as expense/income over the period of the contract.

Profit or loss on such forward contracts is accounted as income or expense for the period.

All the other derivative contracts, including forward contracts entered into to hedge foreign currency risks on unexecuted firm commitments and highly probable forecast transactions, are recognised in our consolidated Restated Financial Statements at fair value as on the balance sheet date. In pursuance of the announcement of the Institute of Chartered Accountants of India (ICAI) dated March 29, 2008 on accounting of derivatives, our Company has adopted Accounting Standard 30 for applying the test of hedge effectiveness of the outstanding derivative contracts. Accordingly, the resulting gains or losses on fair valuation of such contracts are recognised in the profit and loss account or balance sheet, as the case may be.

Provisions, contingent liabilities and contingent assets

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if our Company has a present obligation as a result of a past event; a probable outflow of resources is expected to settle the obligation; and the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liabilities are disclosed in the case of a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation; or a possible obligation unless the probability of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Analysis of Certain Changes

Changes in accounting policies

Our Company has made certain changes to its accounting policies which have resulted in changes to its financial statements for the years presented herein for the more appropriate presentation of financial statements.

First, goodwill arising on acquisition and consolidation was previously amortised over a period of ten years up to Financial Year 2013. We revised the related accounting policy in Financial Year 2014 to test goodwill for impairment at every balance sheet date.

Second, our subsidiary, LTIFST, revised its accounting policy in relation to income taxes, which are now recognised using the future income taxes method.

Third, the cost incurred on long-term projects was previously amortised over a period of two years from the year in which it was incurred. We revised the accounting policy to charge the same to the statement of profit and loss in the year in which it was incurred.

Tax impact on restatement adjustments

Income tax has been computed on restatement adjustments made and has been adjusted in the restated profits for the relevant years and periods ended March 31, 2015, 2014, 2013, 2012 and 2011.

Known trends or uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified above in “Management’s Discussion and Analysis of Financial Condition and Results of Operations– Significant Factors Affecting Our Results of Operations” and the uncertainties described in “Risk Factors” beginning on pages 296 and 19, respectively. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors that we expect to have a material adverse impact on our revenues or income from continuing operations.

Total turnover in each major industry segment

Other than as described in this Management’s Discussion and Analysis of Financial Condition and Results of Operations, we do not report segments for our financial statements prepared in accordance with Indian GAAP.

Unusual or infrequent events or transactions

To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

Future relationship between cost and revenue

Other than as described in the section “Risk Factors” beginning on page 19, there are no known factors that might affect the future relationship between cost and revenue.

Significant developments subsequent to the last financial period

In the opinion of the Directors, other than as disclosed in this Draft Red Herring Prospectus, there has not arisen, since the date of the last financial statements set out herein, any circumstance that materially or adversely affects or is likely to affect our profitability, taken as a whole, or the value of our consolidated assets or our ability to pay our material liabilities over the next twelve months.

SELECTED FINANCIAL INFORMATION

Consolidated summary statement of operating profits and losses

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
	₹ Million	₹ Million	₹ Million	₹ Million	₹ Million
INCOME:					
Revenue	49,780.36	49,204.98	38,514.39	31,820.15	23,911.76
Forex gain/(loss)					
Other income	915.00	(833.18)	221.04	95.84	715.11
Less: other income other than forex gain/(loss)	100.08	52.07	306.29	292.63	234.02
Forex gain/(loss)	814.92	(885.25)	(85.25)	(196.79)	481.09
Total Income	50,595.28	48,319.73	38,429.14	31,623.36	24,392.85
EXPENSES:					
Software development expenses					
Employee benefit expenses	29,242.73	27,581.57	22,485.93	18,635.30	14,485.50
Operating expenses	4,885.63	4,891.51	2,920.00	2,575.28	2,217.97
Add: Travel expenses for billable employees	525.16	437.68	392.07	356.37	278.02
Less: Employee benefit expenses of marketing and support	4,016.99	4,030.75	2,688.84	2,105.01	1,570.01
Software development expenses	30,636.53	28,880.01	23,109.16	19,461.94	15,411.48
GROSS MARGIN	19,958.75	19,439.72	15,319.98	12,161.42	8,981.38
<i>% to revenue from operations</i>	<i>39.4%</i>	<i>40.2%</i>	<i>39.9%</i>	<i>38.5%</i>	<i>36.8%</i>
Sales, general & administration expenses					
Sales, administration and other expenses	5,607.43	5,259.07	4,403.55	3,711.94	3,270.19
Add: employee benefit expenses of marketing and support	4,016.99	4,030.75	2,688.84	2,105.01	1,570.01
Less: travel expenses for billable employees	525.16	437.68	392.07	356.37	278.02
Sales, general & administration expenses	9,099.26	8,852.14	6,700.32	5,460.58	4,562.19
<i>% to revenue from operations</i>	<i>18.0%</i>	<i>18.3%</i>	<i>17.4%</i>	<i>17.3%</i>	<i>18.7%</i>
OPERATING MARGIN	10,859.49	10,587.58	8,619.66	6,700.84	4,419.19
<i>% to revenue from operations</i>	<i>21.5%</i>	<i>21.9%</i>	<i>22.4%</i>	<i>21.2%</i>	<i>18.1%</i>
Add: other income other than forex gain/(loss)	100.08	52.07	306.29	292.63	234.02
OPERATING PROFIT (AS PER FINANCIALS)	10,959.57	10,639.65	8,925.95	6,993.47	4,653.21

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
	₹ Million	₹ Million	₹ Million	₹ Million	₹ Million
Revenue	49,780.36	49,204.98	38,514.39	31,820.15	23,911.76
Forex gain/(loss)	814.92	(885.25)	(85.25)	(196.79)	481.09

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
	₹ Million	₹ Million	₹ Million	₹ Million	₹ Million
Other income other than forex gain/(loss)	100.08	52.07	306.29	292.63	234.02
TOTAL INCOME (AS PER FINANCIALS)	50,695.36	48,371.80	38,735.43	31,915.99	24,626.87

Our operating margin has been derived from our statement of consolidated profit and loss for each Financial Year shown in the table above. Operating margin is not a standard measure under Indian GAAP and should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. Our operating margin presented herein may not be comparable to similarly titled measures presented by other companies, as not all companies use the same definition.

Our operating margin improved from 18.1% in Financial Year 2011 to 22.4% in Financial Year 2013, which was in line with growth in our revenue and as a result of increased operational efficiencies. In Financial Year 2014, our operating margin declined to 21.9%, primarily due to investment in our sales force. Our operating margin further declined to 21.5% in Financial Year 2015, primarily due to higher onsite delivery costs.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

The details of the outstanding litigation or proceedings involving our Company, Subsidiaries, Promoter, Group Companies and Directors are described in this section in the manner as detailed below.

Disclosure of litigation involving our Company and our Subsidiaries: We have disclosed all pending criminal litigation and actions taken by regulatory or statutory authorities involving our Company and our Subsidiaries individually in this section. We have disclosed claims relating to direct and indirect taxes involving our Company in a consolidated manner giving details of number of cases and total amount involved in such claims. We have also disclosed details of any inquiry, inspections or investigations initiated or conducted against our Company and our Subsidiaries under the Companies Act in the last five years, details of default and non-payment of statutory dues, details of pending litigation involving our Company, whose outcome could have material adverse effect on the position of our Company, details of acts of material frauds committed against our Company in the last five years and details of pending proceedings initiated against our Company for economic offences, if any.

Our Board has approved that given the nature and extent of operations of our Company and our Subsidiaries, the outstanding litigation involving our Company or any of our Subsidiaries which exceed the lower of one per cent of the consolidated revenue and five per cent of the consolidated net profit of our Company in the last audited financial year would be considered material for our Company.

The consolidated revenue of our Company for the Financial Year 2015, was ₹ 50,695.3 million and the consolidated net profit of our Company was ₹ 7,685.3 million. Accordingly, in addition to the above, we have disclosed all outstanding litigation involving our Company and our Subsidiaries where the aggregate amount involved exceeds ₹ 375 million individually and the litigation involving an aggregate amount below ₹ 375 million involving our Company and our Subsidiaries have been consolidated and disclosed in a summary and indicative manner in this section.

Our Board has also approved that dues owed by our Company to the small scale undertakings and other creditors exceeding five per cent of our total dues owed to the small scale undertakings and other creditors would be considered as material dues for our Company and accordingly, we have disclosed consolidated information of outstanding dues owed to small scale undertakings and other creditors, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 34 million (being approximately five per cent of total dues owed by our Company to the small scale undertakings and other creditors as of June 30, 2015).

For details of the manner of disclosure of litigation involving our Promoter, see “Outstanding Litigation and Material Developments – Litigation involving our Promoter” on page 322. Further, for details of the manner of disclosure of litigation involving our Group Companies, see “Outstanding Litigation and Material Developments – Litigation involving our Group Companies” on page 328. For details of the manner of disclosure of litigation involving our Directors, see “Outstanding Litigation and Material Developments – Litigation involving our Directors” on page 338.

I. Litigation involving our Company

A. Litigation filed against our Company

Criminal matters

1. Suhas Ambade filed an FIR on behalf of Maharashtra State Electricity Distribution Company Limited (“MSEDCL”) before the Kalyan Police Station against Nitin Patwardhan (the “Accused”), an employee of our Company in his capacity as a representative of our Company, before the Court of Special Judge, Thane, for alleged unauthorised use of electricity by our Company under Section 135 of the Electricity Act, 2003. Our Company filed an application for compounding of the alleged offence with MSEDCL. MSEDCL has approved our application for compounding the offence and our Company has paid an amount of ₹ 0.35 million towards compounding charges. The matter is currently pending.
2. Certain officials and ex-officials of our Company, namely Munnawar Bux, Ghanshyam Mhatre, Ganesh Apte and V. K. Magapu, and Chris Colaco (the “Petitioners”) have filed criminal writ petitions before the Bombay High Court in relation to criminal proceedings initiated against the Petitioners. Krishnan Subramanian had filed an FIR before the Powai police station against the Petitioners under Sections 34, 120B, 201, 406 and 420 of the IPC read with Sections 20 and 25 of the Indian Telegraph Act, 1885 and Sections 65, 66 and 85 of Information Technology Act, 2000 alleging illegal transfer of the international calls and related losses to the Government and Tata Teleservices (Maharashtra) Limited amounting to ₹ 6.45 million. Subsequently, the Petitioners filed discharge applications, which were rejected by the Magistrate. Our Company had also filed two writ petitions before the Bombay High Court seeking quashing of the FIR lodged. Our Company has withdrawn one of the writ petitions and the Bombay High Court has disposed the other writ petition filed by our Company. The matter is currently pending.

Direct tax matters

15 direct tax matters involving our Company are pending before various forums such as CIT (Appeals), ITAT the Bombay High Court and the Supreme Court involving an aggregate amount of ₹ 846.93 million, in relation to *inter alia* partial disallowance of deductions claimed under Section 10A of the Income Tax Act, restriction of deduction under Section 10A of the Income Tax Act to the extent of total income and disallowance of carried forward unabsorbed depreciation, increase in taxable amount owing to transfer pricing adjustment and levy of tax for failure to deduct tax at source on payment of internet charges and for lower deduction of tax at source on maintenance charges, and levy of interest under Section 201(1A) of the Income Tax Act. The matters are currently pending.

Indirect tax matters

27 indirect tax matters (including notices received by our Company) involving our Company are pending before various forums such as the Maharashtra Sales Tax Tribunal, Assistant Commissioner of Service Tax, Assistant Commissioner of Central Excise and CESTAT involving an aggregate amount of ₹ 176.02 million and rejection of refunds claimed by our Company amounting to approximately ₹ 179.84 million, in relation to *inter alia* payment of sales tax on purchase of goodwill, customs and excise duty violation on imported goods, payment of service tax on reverse charge mechanism on import of services, availment of CENVAT credit, rejection of VAT and service tax refund claims and levy of service tax on maintenance and repair services. Further, the Franchise Tax Board, California has issued a notice to our Company's USA branch office in relation to the amount of tax paid by our branch office for the Financial Years 2011 and 2012. The amount involved in the matter is USD 0.82 million (equivalent to ₹ 50.41 million as of the date of demand). The matters are currently pending.

Other matters

There are no outstanding litigations against our Company exceeding ₹ 375 million.

Other matters filed against our Company where the aggregate amount is below ₹ 375 million relate to *inter alia*, complaint filed by an ex-employee for wrongful termination of employment by our Company before the Commissioner of Labour, Thane under Sections 2A and 25(f) of the Industrial Disputes Act, petition filed by NHAJ against our Company before the Delhi High Court under Section 34 of the Arbitration Act seeking setting aside of an arbitral award in relation to a contract for software development entered into between our Company and the NHAJ and complaint filed against our Company before the Industrial Court, Maharashtra, in relation to unfair labour practices such as non-payment of salary and alleged malafide transfer of an employee. The matters are currently pending.

Notices

One of the former employees of our Company has issued a legal notice, through his attorney, to our Company in relation to his alleged vested options rights for certain number of employee stock options granted under the ESOP Scheme, 2000 during the course of his employment. He has made certain claims in relation to the granted options including *inter alia* issue of equity shares pursuant to exercise of options and related rights and requisition for various documents. The matter is currently pending.

In addition to above, with effect from September 21, 2015 i.e. the effective date of ISRC Scheme, all outstanding litigation involving ISRC set out below, shall be continued against our Company. For details in relation to the ISRC Scheme, see "History and Certain Corporate Matters- Schemes of arrangement- Scheme of amalgamation entered into between ISRC and our Company" on page 150.

Direct tax matters

Five income tax matters involving ISRC have been filed before various forums such as CIT (Appeals) and ITAT, involving an amount aggregating to ₹ 4.48 million, in relation to *inter alia* reduction of certain deductions claimed under Section 10A of the Income Tax Act and, increase in taxable amount owing to transfer pricing adjustments. The matters are currently pending.

Indirect tax matters

Two indirect tax proceedings pending before various forums such as CESTAT and Deputy Commissioner of Sales Tax, involving an aggregate amount of ₹ 1.28 million and a refund of ₹ 0.70 million, in relation to *inter alia* disallowance of set-off claim and error in calculation of taxable sales and rejection of refund, in relation to CENVAT credit claimed. The matters are currently pending.

B. Litigation by our Company

Criminal matters

T. N. Srinivasan, assistant manager- administration of our Company, filed an FIR on behalf of our Company, against Giridharan and Amitharaj (collectively the “Accused”), before the Mambalam police station, Chennai under Sections 406 and 420 of the IPC in relation to fake recruitments by the Accused in the name of our Company. The matter is currently pending.

Other matters

There are no outstanding litigations filed by our Company exceeding ₹ 375 million.

Other matters filed by our Company where the aggregate amount is below ₹ 375 million relate to *inter alia*, arbitration proceedings initiated by our Company against our ex-employees before various courts such as Additional District Judge, Indore and the Principal District Judge, Jammu, respectively in relation to letters of appointment issued by our Company to the ex-employees and breach of the appointment letters by the ex-employees.

Notices

Our Company issued notices to its employees from time to time in relation to various matters including *inter alia* breach of appointment letters with reference to exit of employees from the employment of our Company without serving the period stipulated under the respective appointment letters.

Small scale undertakings or any other creditors

Our Company does not owe any small scale undertakings any amounts exceeding ₹ 34 million as of June 30, 2015. There are no disputes with such entities in relation to payments to be made to them.

Our Company, in its ordinary course of business, has certain amounts aggregating ₹ 34 million or more which are due towards other creditors. As of June 30, 2015, our Company owed an aggregate amount of ₹ 323.32 million towards other creditors where dues to each creditor exceeded ₹ 34 million. The details pertaining to amounts due towards such other creditors exceeding ₹ 34 million as of June 30, 2015 are available on the website of our Company at the following link: www.lntinfotech.com/en-us/AboutUs/Financials/Pages/ListCreditors.aspx. The details in relation to other creditors and amount payable to each such creditor available on the website of our Company do not form a part of this Draft Red Herring Prospectus.

II. Litigation involving our Promoter

Disclosure of litigation involving our Promoter: Our Promoter is a major technology, engineering, construction, manufacturing and financial services conglomerate, with global operations. Our Promoter has customers in over 30 countries and has several international offices and a supply chain that extends around the world.

In the Financial Year 2015, the consolidated revenue of our Promoter was ₹ 920,045.8 million and the consolidated net profit of our Promoter was ₹ 49,640.0 million.

In view of the nature of diverse business undertaken by our Promoter, our Promoter is involved in various litigations filed in India and overseas from time to time.

The IPO committee of the board of our Promoter has approved that given the nature and extent of operations of our Promoter, the outstanding litigation involving our Promoter which exceed the lower of one per cent of the consolidated revenue and five per cent of the consolidated net profit of our Promoter in the last audited financial year would be considered material for our Company. Our Board has approved of this threshold.

In relation to regulatory or statutory action taken against our Promoter, given the nature and size of operations of our Promoter, all the processes in relation to regulatory or statutory matters are de-centralised and managed at respective plant or business unit. Accordingly, it is difficult for our Promoter to collate all regulatory or statutory action taken against our Promoter which are pending as of date.

On the basis of the above, the litigation involving our Promoter has been disclosed in the following manner:

- (i) all outstanding criminal proceedings involving our Promoter along with any other case which are non-quantifiable but are considered material by our Promoter have been disclosed individually in this section other than criminal proceedings initiated by our Promoter under Section 138 of the Negotiable Instruments Act, which have been disclosed in a consolidated manner;

- (ii) *all claims related to direct and indirect taxes, in a consolidated manner giving details of number of claims and total amount in this section;*
- (iii) *actions taken by regulatory or statutory authorities have been consolidated and disclosed in a summary and indicative manner in this section;*
- (iv) *all outstanding litigation involving our Promoter where the aggregate amount involved exceeds ₹2,500 million (being lower of one per cent of consolidated revenue and five per cent of the consolidated net profit of our Promoter) have been disclosed in this section and litigation below ₹2,500 million involving our Promoter have been consolidated and disclosed in a summary and indicative manner in this section; and*
- (v) *with respect to litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoter during the last five years, all such litigation or legal action aggregating above ₹2,500 million have been disclosed individually and other litigation or legal action have been consolidated and disclosed in a summary and indicative manner in this section.*

Litigation against our Promoter

Criminal matters

1. Our Promoter filed an appeal (the “Appeal”) before the Controller, Legal Metrology, Maharashtra (the “Controller”) in relation to the alleged non-compliance by the directors of our Promoter under the Legal Metrology Act and the Legal Metrology Rules for non-stamping and non-verification of dispenser pumps of liquid petroleum gas. The Controller has granted stay on nine notices out of 13 (thirteen) notices issued, pending the disposal of the Appeal and has filed complaints in relation to four notices before the JMFCs of Kopergaon, Bhiwandi, Karad and Chinchwad locations in Maharashtra. The matter is currently pending.
2. CBI filed a criminal case against the officials of our Promoter and Oriental Insurance Company Limited before the CBI Special Court, Chennai in relation to alleged conspiracy and bogus insurance claims filed by our Promoter before Oriental Insurance relating to certain columns erected by our Promoter in NTPC Simhadri coal handling plant job which collapsed due to instable soil. The matter is currently pending.
3. Our Promoter filed a criminal revision petition against CBI before the Patna High Court seeking quashing of criminal proceedings initiated by the CBI. CBI had filed a criminal case against our Promoter and others before the Special Judge, CBI, Patna, under Sections 120B and 420 of the IPC and Sections 13(2) and 13(1)(d) of the Prevention of Corruption Act, 1988. NHAI had awarded a contract (the “Contract”) to L&T-HCC JV, a joint venture of our Promoter and Hindustan Construction Company Limited to execute the golden quadrilateral project (the “Project”) in Delhi-Kolkata. NHAI alleged sub-contracting of more than 10% of the total value of the Project in contravention of the Contract causing a loss of ₹220 million to NHAI. Pursuant to the disputes between the parties, NHAI initiated arbitration proceedings before the arbitral tribunal as well as initiated dispute resolution proceedings before the dispute review board (the “DRB”). The arbitral tribunal and the DRB dismissed the claims of NHAI. NHAI entered into a settlement with L&T-HCC JV. The Patna High Court has granted a stay on framing of charges before the Special Judge, CBI, Patna. The matter is currently pending.
4. Our Promoter and M.P. Sharma (the “Accused”) filed a discharge petition (the “Discharge Petition”) before the Sub-Divisional Judicial Magistrate, Sherghati in relation to the criminal case initiated against our Promoter and the Accused by the Labour Enforcement Officer (Central), Patna before the Sub-Divisional Judicial Magistrate, Sherghati for alleged violation of sections 47, 48 and 49 of the BCW Act. The Sub-Divisional Judicial Magistrate, Sherghati has allowed the Application and the Discharge Petition. The matter is currently pending.
5. The State of Jammu (the “Complainant”) filed an FIR against the officials of National Hydroelectric Power Corporation (“NHPC”) and the officials of our Promoter (collectively the “Accused”), before the CBI under Sections 120B and 420, 420A of the Ranbir Penal Code of Jammu and Kashmir, 1932 and Section 5 of Jammu and Kashmir Prevention of Corruption Act, 2006, alleging criminal conspiracy and forgery of documents by the Accused. NHPC had awarded two contracts (the “NHPC Contract”) to our Promoter to execute the work of rural electrification in Udhampur and Kathua district in Jammu. A complaint was filed by a whistle blower within NHPC alleging irregularities by the officials of NHPC in execution of the NHPC Contract. Pursuant to the same, the Complainant further alleged that the

Accused furnished forged undertakings and also placed purchase orders on various firms without the prior approval of NHPC, causing loss to the exchequer as the materials were not supplied directly from the manufacturer. The matter is currently pending.

6. The Karnataka State Pollution Control Board filed a criminal complaint against our Promoter before the JMFC, Devanahalli, Bengaluru for alleged violation of certain provisions of the Air (Prevention and Control of Pollution) Act, 1981 and failure to disconnect power supply to the crusher plant of our Promoter. The matter is currently pending.
7. Two criminal complaints (the “Complaints”) against our Promoter and its directors and others have been filed by the Inspector, under the BCW Act, before the Karkardooma Court, Delhi in relation to alleged non-compliance of certain provisions of the BCW Act pertaining to the green project site of DLF Limited. Subsequently, our Promoter filed two petitions (the “Petitions”) under Section 482 of the CrPC before the Delhi High Court seeking quashing of the Complaints. The Delhi High Court disposed of the Petitions and dispensed with appearance of the directors of the promoters. The matters are currently pending.
8. S. K. Poddar filed a criminal complaint against our Promoter before the Chief Metropolitan Magistrate, Kolkata under Section 420 of the IPC alleging non-payment of brokerage relating to lease provided to British Airways. The matter is currently pending.
9. The Labour Enforcement Officer filed a complaint against our Promoter before the Metropolitan Magistrate Court, Patiala in relation to alleged violation of certain provisions of Contract Labour Act at various construction sites. The matter is currently pending.
10. T. Malliah, a labour supply contractor filed a complaint against our Promoter before the Metropolitan Magistrate Court, Miyapur for alleged non-payment of wages and alleged violation of certain provisions of Contract Labour Act. The matter is currently pending.
11. G V Bapat, a food inspector (the “Complainant”) filed a complaint against our Promoter, the supplier and buyer of food items used in the canteen of our Promoter before the Additional Chief Metropolitan Magistrate, Mazgaon under Section 2 of the Prevention of Food Adulteration Act, 1954 in relation to adulterated food being supplied. The matter is currently pending.
12. R. S. Manjrekar (the “Complainant”), a workman of our Promoter filed a miscellaneous criminal complaint against our Promoter before the Labour Court, Bandra in relation to non-compliance of order of re-instatement passed by the Labour Court. Our Promoter had terminated the services of the Complainant. Subsequently, the Complainant filed an application before the Labour Court seeking re-instatement of services which was granted by the Labour Court. Due to disputes between the Complainant and our Promoter in relation to re-instatement, the Complainant filed the aforesaid miscellaneous criminal complaint. The matter is currently pending.
13. Patekar, a retired workman of our Promoter filed a miscellaneous criminal complaint before the Magistrate Court, Mumbai against our Promoter alleging criminal conspiracy and criminal intimidation when he was in service. The matter is currently pending.
14. Kamaljeet Singh Shikawat (the “Complainant”), a customer of our Promoter, filed a criminal case against our Promoter and L&T Construction Equipment Limited before the Thana Mandan, District Alwar, Rajasthan alleging that L&T Construction Equipment Limited failed to return the equipment belonging to the Complainant. The matter is currently pending.
15. Our Promoter filed an appeal against the D.G. (Inspection) before the Secretary of Labour Department, Government in relation to the order passed by D.G. (Inspection) imposing a penalty of ₹ 9,000 for alleged contravention of certain provisions under the BCW Act by our Promoter. The matter is currently pending.
16. The Regional Officer, of Gujarat Pollution Control Board (the “GPCB”) filed a criminal complaint on behalf of GPCB, against our Promoter and the directors of our Promoter, including A. M. Naik and S. N. Subrahmanyam before the Chief Judicial Magistrate First Class, Vadodara under Section 15 read with Section 16 of the Environment (Protection) Act, 1986 alleging that the construction of flats and

buildings was commenced without obtaining an environment clearance as required under the notification issued by the Ministry of Environment and Forests. The matter is currently pending.

Actions by regulatory/ statutory authorities

In relation to regulatory or statutory action taken against our Promoter, given the nature and size of operations of our Promoter, all the processes in relation to regulatory or statutory matters are de-centralised and managed at respective plant or business unit. Accordingly, it is difficult for our Promoter to collate all regulatory or statutory action taken against our Promoter which are pending as of date. In view of the above, actions by regulatory and statutory authorities taken against our Promoter relate to *inter alia* resumption of land owned by our Promoter, by the Government of Orissa due to prolonged non-utilisation of land by our Promoter; show cause notice issued by the Inspector under the ESI Act for arrears towards contribution of employee state insurance by our Promoter; inspection being conducted by the Municipal Corporation of Delhi for alleged non-possession of requisite licence by our Promoter; demand raised by the Kuruchi New Town Development Authority, Coimbatore in relation to infrastructure and amenity charges to be paid by our Promoter; demand for royalty for alleged mining of mineral, raised by the Department of Mining and Zoology, Odisha; demand of cess raised by the Government of Rajasthan through labour department under the BCW Act; notice issued by the Assistant Commissioner in relation to failure of our Promoter in remitting the dues of its employees under the provisions of the EPF Act; notices in relation to alleged non-stamping and non-verification of liquid petroleum gas fuel dispenser pumps' business under the Legal Metrology Act, 2009 by the Inspectors, Legal Metrology Karad; show cause notice in relation to alleged violation of the SEBI Act and the SEBI Insider Trading Regulations issued by SEBI; notices issued by the Additional Superintendent of Stamps, Vadodara in relation to exemption from payment of stamp duty on consent award and on execution of lease agreements between our Promoter and its subsidiaries. Our Promoter has challenged all the demands made by the regulatory/ statutory authorities. The matters are currently pending.

Direct tax matters

34 direct income tax related matters involving our Promoter have been filed before High Courts, Income Tax Appellate Tribunals and Commissioners of Income-Tax involving an aggregate amount of ₹ 8,264.4 million, in relation to matters including *inter alia* provision for foreseeable losses; provision for warranty expenses; deductions u/s 80-IA of the Income Tax Act; payments to clubs; estate maintenance expenses; disallowance u/s 14A; expenses on employee compensation cost; community welfare and rural development expenses; and provision for sales tax. The matters are currently pending.

Indirect tax matters

393 indirect tax cases involving our Promoter have been filed before various departmental authorities, tribunals, High Courts and Supreme Court, involving an aggregate amount of ₹ 33,511.08 million, in relation to matters *inter alia* consisting of denial of CENVAT credit, disallowance of exemptions claimed for sale in transit, sub-contractor turnover, labour and like charges, delay in submission of forms, disallowance of exemptions and demand of service tax on mobilisation advances under reverse charge mechanism on various services received from abroad, denial of various service tax exemptions claimed, penalty on differential excise duty paid against supplementary invoices, non-payment of service tax. The matters are currently pending.

Other matters involving an amount above ₹2,500 million

1. Our Promoter has filed a writ petition against the show cause notice issued by the Collector and District Registrar, Hyderabad (the "Collector") before the Andhra Pradesh High Court in relation to alleged deficit payment of stamp duty by our Promoter and L&T Metro Rail (Hyderabad) Limited in respect of the EPC contract executed between L&T Metro and our Promoter. The Andhra Pradesh High Court vide an interim order, has suspended the Show Cause Notice. The amount involved in the matter is ₹ 6,197.50 million. The matter is currently pending.
2. South City Group Housing Apartments Owners Association Bangalore ("Sugruha"), an association in South City, Bangalore filed a consumer complaint (the "Complaint") against our Promoter before the National Consumer Disputes Redressal Commission, Delhi (the "NCDRC"), in relation to deficiency of services in construction by our Promoter in respect of the residential project built by our Promoter in Bangalore. The amount involved in matter is ₹ 4,420 million. The matter is currently pending.

Other matters involving an amount below ₹2,500 million

In addition to the above, various litigation have been filed against our Promoter which are pending before various forums and which individually aggregates to less than ₹ 2,500 million and matters typically pertain to recovery of possession of property; arbitration with customers, business partners and employees; consumer cases; suits for recovery of money; suits for reinstatement of services and compensation in case of termination of employment; public interest litigation in relation to construction of dam; motor accidents' claim; suits filed in relation to fixation of rateable value of land under construction; compensation suit for loss of business opportunities writ petitions filed by non-successful bidders under the tender where our Promoter is also impleaded as successful bidder; labour cases filed by workmen. The matters are currently pending.

Litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoter during the last five years

There are no litigation or legal action pending or taken by any ministry or government department or statutory authority above ₹ 2,500 million against our Promoter during the last five years.

Litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoter during the last five years include suit for eviction where our Promoter occupies the land as a tenant; payment of property tax in relation to land under construction; payment of octroi on the license for use of the software supplied by SAP India Systems Applications and Products in data processing.

Litigation filed by our Promoter

Criminal matters

1. Our Promoter has filed a criminal complaint against Seshagiri Rao (the "Accused"), an ex-employee of our Promoter before the Alandur Court, Chennai in relation to cheating and misappropriation of funds by the Accused. Subsequently, the Accused filed a criminal writ petition before the Madras High Court, which was dismissed by the Madras High Court. The matter is currently pending.
2. Our Promoter has filed a defamation suit against Rajagopalan, a resident of South City, Bengaluru before the Additional Chief Metropolitan Magistrate, Bangalore under Section 499 of the IPC, in relation to the defamatory remarks against our Promoter which was published in magazines. The matter is currently pending.
3. Our Promoter filed a criminal complaint against Ravi Srihari (the "Accused"), an ex-employee of our Promoter, before the Metropolitan Magistrate Court, Miyapur, Hyderabad for alleged cheating, forgery, criminal breach of trust and misappropriation of our Promoter's funds. The Accused refunded an amount of ₹ 1.52 million. The matter is currently pending.
4. Our Promoter filed a criminal case against Ramesh Bhatt, an ex-employee of our Promoter, before the Metropolitan Magistrate Court, Mumbai, for allegedly forging documents leading to misappropriation of funds from our Promoter. The matter is currently pending.
5. Our Promoter filed a criminal complaint against a group of persons before the Court of the Executive Magistrate, Rajgangpur for illegal trespass of approximately 17.72 acres of land of our Promoter near the stadium in Kansbahal Para campus. The land under consideration is under resumption and the matter of resumption is pending before the Orissa High Court. The matter is currently pending.
6. Our Promoter filed a criminal complaint against Sathish Kumar (the "Accused"), an assistant sales manager in the construction and equipment business of our Promoter, before the Metropolitan Magistrate Court, Coimbatore, in relation to diversion of funds and forging of documents by the Accused pertaining to the construction and equipment business of our Promoter. The matter is currently pending.
7. Our Promoter filed a criminal complaint against Manoj Mendon (the "Accused"), an ex-employee of our Promoter before the Metropolitan Magistrate Court, Mumbai for forgery and criminal breach of trust by the Accused for an amount of ₹ 2.9 million along with interest by the Accused. The matter is currently pending.

8. Our Promoter filed a criminal complaint against T. K. Bandopadhyay (the “Accused”), an ex-employee of our Promoter, before the Metropolitan Magistrate Court, Kolkata, for criminal conspiracy, falsifying the accounts of our Promoter and illegally collecting monies from various companies. The matter is currently pending.
9. There are 18 criminal complaints filed by our Promoter before various forums in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act. The matters are currently pending.

Other matters involving an amount above ₹2,500 million

1. Our Promoter initiated arbitration proceedings against Visa Power Limited (“Visa Power”) in relation to the disputes arising out of contract entered into between Visa Power and our Promoter. Visa Power had awarded a contract to our Promoter for balance of plant package for setting up of a 2x600 MW Visa Raigarh Super Thermal Power Project at Devari and Dumarpali villages in the Raigarh District of Chattisgarh. In terms of the contract, Visa Power was required to make payments to our Promoter and our Promoter was required to furnish a bank guarantee in favour of Visa Power. The alleged failure of Visa Power to make timely payments to our Promoter, resulted in termination of the contract. Subsequently, Visa Power invoked the bank guarantee furnished by our Promoter. Therefore, our Promoter initiated arbitration proceedings against Visa Power and filed a statement of claim seeking for a total claim amount of ₹ 6,029.75 million along with interest of 18% per annum till realisation of the same. Visa Power filed a counter claim of ₹ 18,298.70 million consisting mainly consequential damages. The matter is currently pending.
2. Our Promoter initiated three arbitration proceedings against National Thermal Power Corporation (“NTPC”) in relation to construction of 12 kms underground tunnel and head race tunnel for Tapovan Vishnugad hydroelectric power project (the “Power Project”) of NTPC in Uttarakhand. L&T-AM JV, a joint venture of our Promoter and Alpine Bau GmbH was formed for the purpose of executing the Power Project. The claims involved in the three arbitration proceedings pertain to: (i) claims filed by our Promoter for a period from November 2006 to December 2009 pertaining to alleged delays and breaches committed by NTPC, including an amount aggregating to ₹ 2,510 million; (ii) claims filed by our Promoter for a period from January, 2010 to May, 2012 pertaining to alleged delays and breaches committed by NTPC, including an amount aggregating to ₹ 3,390 million; and (iii) claims filed by our Promoter in relation to invocation and encashment of bank guarantees by NTPC, involving an aggregate amount of ₹ 9,126 million.
3. Our Promoter filed a suit for specific performance before the Bombay High Court against Grasim Industries Limited and its associate Samruddi Swastik Trading Investments Limited (collectively the “Respondents”) in relation to non-transfer of equity shares of our Promoter held by the Respondents to the L&T Employee Welfare Foundation. Pursuant to an agreement between our Promoter and the Respondents, the Respondents were required to transfer 0.78% equity shares of our Promoter at ₹ 240 per equity share held by the Respondents to L&T Employee Welfare Foundation as a part of integrated restructuring proposal of cement business of our Promoter. The Respondents failed to transfer the equity shares to L&T Employee Welfare Foundation. Our Promoter has, accordingly, filed the aforesaid suit seeking specific performance of transfer of shares along with accretions thereon and dividends by the Respondents to the L&T Employee Welfare Foundation and, in the alternative, claimed damages up to ₹ 2,468.64 million. The matter is currently pending.

Other matters involving an amount below ₹2,500 million

In addition to the above, our Promoter has initiated various litigation which are pending before various forums which pertain to *inter alia* claims arising out of breach of contractual terms by customers/ business partners; arbitration with customers, business partners and employees; suits including summary suits for recovery of money; winding up petitions filed by our Promoter against customer for non-payment; writ petition in relation to rejection to obtain mining lease; writ petition challenging the constitutional validity of the levy of extra water and sewerage charges by Brihan Mumbai Mahanagarpalika, Mumbai; suits for infringement of trademark of our Promoter; writ petition challenging the demand of octroi on license for use of software. The matters are currently pending.

III. Litigation involving our Group Companies

Our Group Companies operate in diverse sectors in India and overseas. Our Board has approved that given the nature and extent of operations of our Group Companies, the outstanding litigation involving our Group Companies which exceed the lower of one per cent of the consolidated revenue and five per cent of the consolidated net profit of our Promoter in the last audited financial year would be considered material for our Company.

On the basis of the above, the litigation involving our Group Companies has been disclosed in the following manner:

- (i) all outstanding criminal proceedings and actions taken by regulatory or statutory authorities involving our Group Companies along with any other case which are non-quantifiable but are considered material by our Group Companies have been disclosed individually in this section, other than criminal proceedings initiated by our Group Companies under Section 138 of the Negotiable Instruments Act, which have been disclosed in a consolidated manner;
- (ii) all claims related to direct and indirect taxes, in a consolidated manner giving details of number of cases and total amount in this section;
- (iii) all the litigation involving our Group Companies where the aggregate amount involved exceeds ₹ 2,500 million have been disclosed individually in this section and litigation below ₹ 2,500 million, if any, involving our Group Companies have been consolidated and disclosed in a summary and indicative manner in this section.

Litigation involving L&T Kobelco Machinery Private Limited (“L&T KMPL”)

Indirect tax matters

Two indirect tax matters involving LTKMPL have been filed before the Appellate Deputy Commissioner, Chennai involving an aggregate amount of ₹ 4.10 million, in relation to various issues including availing input VAT credit, payment of differential VAT payable on commodity code classification and disallowance of input tax credit on certain items. The matters are currently pending.

Litigation involving L&T Infrastructure Development Projects Limited (“L&T IDPL”)

Direct tax matters

Seven direct tax appeals involving L&T IDPL have been filed before the CIT (Appeals) involving an aggregate amount of ₹ 300 million, in relation to various issues including disallowance of expenditure under Section 14A of the Income Tax Act. The matters are currently pending.

Other matters

There are no outstanding litigations involving L&T IDPL exceeding ₹ 2,500 million.

Other matters involving L&T IDPL include special civil application filed by L&T IDPL against Gujarat Maritime Board and the Government of Gujarat before the Gujarat High Court in relation to a bank guarantee issued by L&T IDPL for development of port at Kachchigarh. The matter is currently pending.

Litigation involving L&T Power Development Limited (“L&T PDL”)

Direct tax matters

Three direct tax appeals involving L&T PDL have been filed before the ITAT and CIT (Appeals) involving an aggregate amount of ₹ 71.4 million, in relation to various issues including disallowance of revenue expenditure on account of non-commencement of business and disallowance under Section 14A of the Income Tax Act. The matters are currently pending.

Other matters

There are no outstanding litigations involving L&T PDL exceeding ₹ 2,500 million.

One matter involving L&T PDL relates to *inter alia* cancellation of over 50 Memorandum of Agreements executed by Government of Arunachal Pradesh with various power developers. The matter is currently pending.

Litigation involving L&T Sapura Shipping Private Limited (“L&T Sapura”)

Direct tax matters

One direct tax matter involving L&T Sapura has been filed before the CIT (Appeals), involving an aggregate amount of ₹ 65.34 million, relating to the notice issued by the assessing officer questioning the eligibility of L&T Sapura for computing income under the tonnage tax scheme despite L&T Sapura having obtained tonnage tax approval and the ship of L&T Sapura being registered under the Merchant Shipping Act, 1958. The matter is currently pending.

Indirect tax matters

One indirect tax matter involving L&T Sapura has been filed before the CESTAT, involving an aggregate amount of ₹ 1,425.98 million relating to the payment of custom duty and penalty on import of vessels. The matter is currently pending.

Litigation involving L&T Seawoods Limited (“L&T Seawoods”)

Direct tax matters

One direct tax appeal involving L&T Seawoods has been filed before the ITAT in relation to the issues relating to characterising the revenue expense as capital expense on the ground that L&T Seawoods has not conducted any business activity during the assessment year 2009-10. The matter is currently pending.

Other matters involving an amount above ₹2,500 million

City and Industrial Development Corporation of Maharashtra (“CIDCO”) has issued a notice to L&T Seawoods in relation to payments of certain amounts to be made by L&T Seawoods under a contract entered into between CIDCO and L&T Seawoods for execution of a project (the “Project”) at Maharashtra. CIDCO claimed an amount of ₹ 7,514 million towards alleged liquidated damages, additional premium and delayed payment charges for three instalment and delay in overall completion of the Project. L&T Seawoods, vide its reply dated September 23, 2014 (the “Reply”), has disputed amount claimed by CIDCO. There have been no further developments in the matter pursuant to the Reply. The amount involved in the matter is ₹ 7,514 million. The matter is currently pending.

Other matters involving an amount below ₹2,500 million

Other matters involving L&T Seawoods relate to *inter alia* civil suit filed against L&T Seawoods, CIDCO and others in relation to termination of contract for supply of machinery and materials for the project conducted by L&T Seawoods.

Litigation involving L&T Technology Services Limited (“LTTSL”)

Criminal matters

LTTSL has initiated proceedings under Section 138 of the Negotiable Instruments Act before the Mumbai trial court against Rochem Green Energy Private Limited (“Rochem Green”) in relation to dishonour of cheques by Rochem Green. The matter is currently pending.

Other matters

There are no outstanding litigations involving LTTSL exceeding ₹ 2,500 million.

Other matters involving LTTSL relate to *inter alia* arbitration proceedings filed by LTTSL for breach of onsite undertaking and recovery of related arbitration cost, arbitration proceedings filed by LTTSL in relation to absconding of employees and breach of employment related terms and conditions, petition by ex-landlord and claim by an ex-employee of LTTSL for back wages along with interest for producing certain documents for the work undertaken by LTTSL for one of its clients and claims filed by ex-employees of LTTSL in relation to *inter alia* unfair dismissal, discrimination and unpaid wages. The matters are currently pending.

Litigation involving L&T Hydrocarbon Engineering Limited (“L&T HEL”)

Direct tax matters

Four direct tax matters involving L&T HEL have been filed before various forums such as ITAT, Assistant Commissioner (TDS), CIT (Appeals), involving an aggregate amount of ₹ 37.3 million, relating to tax not being deducted on bank guarantee charges and internet charges and difference in rate of tax deducted at source. The matters are currently pending.

Indirect tax matters

15 sales tax, customs and service tax related matters involving L&T HEL have been filed before various forums such as Sales Tax Tribunal, Commissioner of Customs, CESTAT, Commissioner of Service Tax, Deputy Commissioner of Sales Tax (Appeals), Additional Commissioner of Central Excise, High Court and Supreme Court, involving an aggregate amount of ₹ 4,646.6 million, in relation to various issues including disallowance of deemed inter state sales and non- submission of forms, disallowance of input tax credit, demand of excise duty on fabrication of tanks, platforms and ladders, demand of service tax on manpower recruitment, service of supply agency and software procurement and classification. The matters are currently pending.

Other matters

There are no outstanding litigations involving L&T HEL exceeding ₹ 2,500 million.

Other matters involving L&T HEL relate to *inter alia* recovery for alleged loss suffered or non-payment of invoices as well as interest thereon, recovery of payments made for supply of certain equipment, suit for declaration in relation to alleged payment of service tax, withholding of 10% of the total lumpsum price on account of price adjustment relating to Naphtha Cracker Project due to delay in achieving mechanical completion. The matters are currently pending.

Litigation involving L&T Realty Limited (“L&T Realty”)

Direct tax matters

Five direct tax matters involving L&T Realty have been filed before the CIT (Appeals) involving an aggregate amount of ₹ 153.80 million, relating to disallowance of interest expenditure, cost of services paid to L&T and fees paid to ROC. The matters are currently pending.

Litigation involving L&T-Valdel Engineering Limited (“L&T Valdel”)

Direct tax matters

Eight direct tax matters involving L&T Valdel have been filed before various forums such as CIT (Appeals), ITAT Bangalore and High Court of Karanataka, involving an aggregate amount of ₹ 192.00 million, in relation to disallowance of the deduction under Section 10A of the Income Tax Act and other disallowance of revenue expenses. The matters are currently pending.

Indirect tax matters

One matter involving L&T Valdel has been filed before the Service Tax Department involving an aggregate amount of ₹ 1.62 million, in relation to exemption claimed by L&T Valdel from payment of service tax on the services rendered outside India. The matter is currently pending.

Litigation involving L&T Sargent & Lundy Limited (“L&T SLL”)

Indirect tax matters

Two service tax related appeals involving L&T SLL have been filed before the CESTAT involving an aggregate amount of ₹ 0.85 million, in relation to adjustment of excess service tax paid and classification of service tax and exemption in relation to the same. The matters are currently pending.

Litigation involving L&T Construction Equipment Limited (“L&T CEL”)

Criminal matters

Kamaljeet Singh Shikawat, a customer of our Promoter, filed a criminal case against our Promoter and L&T Construction Equipment Limited before the Thana Mandan, District Alwar, Rajasthan. For further details, see “Outstanding Litigation and Material Developments- Litigation involving our Promoter- Litigation against our Promoter- Criminal matters” from pages 323 to 325.

Direct tax matters

Two direct tax appeals involving L&T CEL have been filed before the ITAT involving an aggregate amount of ₹ 148.9 million, in relation to various issues including adjustment of CENVAT credit to closing stock, disallowance of deduction under Section 35(1)(i)(3) of the Income Tax Act and transfer pricing adjustment on certain international transactions. The matters are currently pending.

Indirect tax matters

17 indirect tax appeal matters involving L&T CEL have been filed before various tribunals such as CESTAT, Joint Commissioner of Commercial Tax, involving an aggregate amount of ₹ 1,505.87 million, which relate to *inter alia* denial of CENVAT credit on service tax paid on sole selling agency commission, denial of CENVAT credit on input services, interest on short payment and differential tax levied for non-submission of declaration form. The matters are currently pending.

Other matters

There are no outstanding litigations involving L&T CEL exceeding ₹ 2,500 million.

Other matters involving L&T CEL relate to consumer complaints pertaining to defective equipment being supplied, failure of providing equipment compensation under the Consumer Protection Act, claim for replacement of certain equipment- hydraulic excavator machine and damages for the same. The matters are currently pending.

Litigation involving L&T Cutting Tools Limited (“L&T CTL”)

Direct tax matters

Four direct tax appeals involving L&T CTL have been filed before the ITAT involving an aggregate amount of ₹ 1.3 million, in relation to *inter alia*, disallowance of commission expense and deduction under Section 35(1)(i) of the Income Tax Act. The matters are currently pending.

Indirect tax matters

10 matters involving L&T CTL have been filed before various forums such as Joint Commissioner of Sales Tax (Appeals), CESTAT, Commissioner of Central Excise and High Court involving an aggregate amount of ₹ 310.22 million in relation to non-receipt of certain forms required to be filed, disallowance of labour charges and input tax credit. The matters are currently pending.

Litigation involving L&T General Insurance Company Limited (“L&T GICL”)

Indirect tax matters

Four show cause notices have been issued by various authorities such as the Commissioner of Service Tax and the Assistant Commissioner of Service Tax to L&T GICL, involving an aggregate amount of ₹ 85.76 million in relation to *inter alia*, non-payment of service tax on expenses recovered from co-insurers, reversal of proportionate CENVAT credit for expenses pertaining to co-insurance premiums, availment of CENVAT credit on reinsurance premium and non-payment of service tax on amount collected as standard deductibles from the customers. The matters are currently pending.

Other matters

There are no outstanding litigations involving L&T GICL which exceed ₹ 2,500 million.

Other matters involving L&T GICL relate to consumer complaints filed against L&T GICL in relation to various alleged deficiencies of services, pertaining to *inter alia* motor insurance and health insurance provided by L&T GICL, appeals filed in relation to claims pertaining to matters under the Motor Accidents Compensation Act, 1999 and matters before the ombudsman in relation to demand of settlement of claim by the insured in respect of the insurance policies of L&T GICL availed by the insured. The matters are currently pending.

Litigation involving L&T-MHPS Boilers Private Limited (“L&T MHPS”)

Direct tax matters

Three direct tax matters involving L&T MHPS have been filed before the CIT (Appeals) involving an aggregate amount of ₹ 0.46 million, in relation to various tax related issues including disallowance of expense under Section 14A of the Income Tax Act and foreseeable losses on construction contracts. The matters are currently pending.

Indirect tax matters

Two matters involving L&T MHPS have been filed before the Commissioner of Sales Tax involving an aggregate amount of ₹ 7.11 million, in relation to various issues including tax demand on account of pending statutory forms, entry tax liability on purchases and interest on such payments. The matters are currently pending.

Litigation involving L&T-MHPS Turbine Generators Private Limited (“L&T MTGPL”)

Direct tax matters

Two direct tax appeals involving L&T MTGPL have been filed before the CIT (Appeals) involving an aggregate amount of ₹ 0.02 million, in relation to disallowance of foreseeable loss. The matters are currently pending.

Indirect tax matters

One matter involving L&T MTGPL has been filed before Commissioner of Customs (Appeals) involving an aggregate amount of ₹ 22.4 million, in relation to imports from related parties and the cost insurance freight loading on the imports. The matter is currently pending.

Litigation involving L&T BPP Tollway Limited (“L&T BTL”)

Other matters

There are no outstanding litigations involving L&T BTL which exceed ₹ 2,500 million.

One writ petition involving L&T BTL has been filed before the Rajasthan High Court in relation to illegal construction of toll plaza and alleged construction of access road by L&T BTL in violation of the guidelines issued by the Ministry of Road Transport and Highways. The reliefs sought include amongst other things, directions from the court to stop construction of the toll plaza. The matter is currently pending.

Litigation involving Larsen & Toubro Electromech LLC (“L&T Electromech LLC”)

Direct tax matters

L&T Electromech LLC has filed an objection with the Secretary General for Taxation, Ministry of Finance in relation to the tax assessment order passed for the year 2008 disallowing certain related party subcontract charges, exchange loss on forward contracts and certain miscellaneous expenses aggregating to USD 2.43 million (equivalent to ₹ 150.7 million as of the date of filing of objection). The aggregate amount involved in the matter is USD 0.29 million (equivalent to ₹ 18.1 million as of the date of filing of objection). The matter is currently pending.

Other matters

There are no outstanding litigations involving L&T Electromech LLC which exceed ₹ 2,500 million.

One matter involving L&T Electromech LLC has been filed before the Court of Muscat in relation to alleged illegal termination of employment by L&T Electromech LLC of certain employees. The matter is currently pending.

Litigation involving L&T Metro Rail (Hyderabad) Limited (“L&T MRHL”)

Other matters involving an amount above ₹ 2,500 million

L&T MRHL has filed a writ petition before the High Court of Hyderabad for the State of Telangana and the State of Andhra Pradesh (“Hyderabad High Court”) against the Registration and Stamps Department, Hyderabad, Government of Andhra Pradesh (the “Stamps Department”) in relation to payment of stamp duty by L&T MRHL. The Stamps Department issued a show cause notice (the “Show Cause Notice”) to L&T MRHL calling upon L&T MRHL to show cause as to why stamp duty amounting to ₹ 6,197.50 million should not be paid by L&T MRHL. L&T MRHL, has accordingly, filed the aforesaid writ petition against the Show Cause Notice. The Hyderabad High Court has passed an injunction order in favour of L&T MRHL. The aggregate amount involved in the matter is ₹ 6,197.50 million. The matter is currently pending.

Other matters involving an amount below ₹ 2,500 million

One writ petition involving L&T MRHL has been filed before the Hyderabad High Court against the Principal Secretary, Labour Employment, Training and Factories Department, State of Telangana for demand to pay labour cess under Building and Other Construction Workers’ Welfare Cess Act, 1996. The Hyderabad High Court has granted an injunction order in favour of L&T MRHL in this regard. The matter is currently pending.

Litigation involving L&T Modular Fabrication Yard (Oman) LLC (“L&T MFY LLC”)

Other matters

There are no outstanding litigations involving L&T MFY LLC which exceed ₹ 2,500 million.

Six cases have been filed involving L&T MFY LLC, four for alleged wrongful termination, one for cancellation of purchase order for sewage disposal and another for compensation for losses, damages, costs expenses and loss of profits from alleged faulty equipment. The matters are currently pending.

Litigation involving Larsen & Toubro Saudi Arabia LLC (“L&T Saudi Arabia LLC”)

Direct tax matters

An appeal has been filed involving L&T Saudi Arabia LLC against a notice of the Department of Zakat and Income Tax (DZIT) for payment of overdue taxes. L&T Saudi LLC has filed an appeal against the same before the DZIT. The aggregate amount involved in the matter is SAR 13.9 million (equivalent to ₹ 227.46 million as of the date of notice). The matter is currently pending.

Litigation involving Nabha Power Limited (“Nabha Power”)

Actions by regulatory/ statutory authorities

The Punjab & Haryana High court has on its own motion filed a civil writ petition to examine whether adequate and effective health delivery system are in place in coal fired thermal power plants operating in Punjab and whether there is any evaluation of occupational health status of the workers. The matter is currently pending.

Direct tax matters

One direct tax appeal involving Nabha Power Ltd. has been filed before the ITAT, involving an aggregate amount of ₹ 10.5 million, for allowing interest income to be set off against interest expenditure and not to be taxed as “income from other sources”. The matter is currently pending.

Indirect tax matters

One indirect tax appeal involving Nabha Power Ltd. has been filed before CESTAT, involving an aggregate amount of ₹ 85.20 million, for demand of service tax and penalty on codal charges paid to the Indian railways (the northern railway). The matter is currently pending.

Other matters

There are no outstanding litigations involving Nabha Power which exceed ₹ 2,500 million.

Other matters involving Nabha Power relate to *inter alia* land acquisition, increase in capital cost for railway siding, petitions filed by Nabha Power before various electricity regulatory commissions in relation to *inter alia* payment of capacity charges and claim of fiscal benefits under foreign trade policy. The matters are currently pending.

Litigation involving L&T Finance Limited (“L&T Finance”)

Litigation filed against L&T Finance

Criminal matters

1. Battula Mahalakshmi (the “Complainant”) filed an FIR against the employees of L&T Finance (the “Accused”), before the Kakinada police station in relation to *inter alia* allegedly threatening the wife of the Complainant by the Accused for non-payment of instalments which were due to be paid by the Complainant. Subsequently, a criminal case has been initiated before the JMFC, Kakinada. The matter is currently pending.
2. Dinesh Yadav (the “Complainant”) filed a criminal complaint against the officers of L&T Finance before the JMFC, Jamshedpur, in relation to *inter alia* alleged theft of documents and cash pertaining to the truck finance availed by the Complainant from L&T Finance. The matter is currently pending.
3. Gopal Gorai (the “Complainant”) filed an FIR against the employees of L&T Finance, before the Sonamukhi police station, West Bengal, in relation to *inter alia* alleged theft of property of the Complainant which was hypothecated by the Complainant to L&T Finance while availing loan from L&T Finance. Subsequently, a criminal case has been initiated before the Additional Chief Judicial Magistrate, Bishnupur. The matter is currently pending.
4. Madhumita Jaiswal (the “Complainant”) filed an FIR against certain persons before the Barrackpore Sub Division Police Station in relation to *inter alia* alleged criminal breach of trust by non-delivery of vehicle to the Complainant. The Complainant further alleged that the non-delivery of vehicle was according to the instructions of the employees of L&T Finance. The matter is currently pending.
5. Muttappa Hirekumbi (the “Complainant”) filed an FIR against the employees of L&T Finance (the “Accused”), before the Golgumbaj police station, Bijapur, in relation to *inter alia* charging exorbitant interest under the Karnataka Prohibition of Excess Interest Act, 2004 by the Accused. Subsequently, a criminal case has been initiated before the JMFC, Bijapur. The matter is currently pending.
6. Nagji Suthar (the “Complainant”) filed an FIR against the employees of L&T Finance (the “Accused”), before the Kareda district police station in relation to *inter alia* alleged theft of the Complainant’s tractor by the Accused. Subsequently, a criminal case has been initiated before the Additional Chief Judicial Magistrate, Mandal. The matter is currently pending.
7. Rameshwar Singh (the “Complainant”) filed an FIR against the employees of L&T Finance (the “Accused”), before the Sakchi Police Station, Jamshedpur in relation to *inter alia* criminal breach of trust and criminal conspiracy pertaining to funding of commercial vehicle of the Complainant by the Accused. Subsequently, a criminal case has been initiated before the Chief Judicial Magistrate, Jamshedpur. The matter is currently pending.
8. M/s. Riya Stone Crusher (the “Complainant”) filed a criminal case against an employee of L&T Finance (the “Accused”) before the Chief Judicial Magistrate Kamrup, Guwahati for alleged criminal

breach of trust and criminal conspiracy in relation to illegal re-possession of the assets of the Complainant by the Accused. The matter is currently pending.

9. Sanjay Mishra (the “Complainant”) filed a criminal case against the managing director and officers of L&T Finance (the “Accused”) before the Chief Judicial Magistrate, Jamshedpur for alleged theft of the tractor of the Complainant by the Accused. The matter is currently pending.
10. Satish Kumar (the “Complainant”) filed an FIR against the officers of L&T Finance (the “Accused”), before the Torwa, Bilaspur police station in relation to *inter alia* alleged theft of asset financed through L&T Finance. Subsequently, a criminal case has been initiated before the JMFC, Bilaspur. The matter is currently pending.
11. L&T Finance filed a revision petition against M/s. Yashoda Constructions (the “Complainant”) before the Sessions Judge, Pune against the process orders issued by JMFC, Pune. The Complainant had filed a criminal case against the officers of L&T Finance (the “Accused”) before the JMFC, Pune in relation to re-possession of equipment by L&T Finance. The JMFC, Pune through its order issued process. The matter is currently pending.
12. Mohd. Junaid (the “Complainant”) filed a criminal case against an employee of L&T Finance (the “Accused”) before the Additional Chief Metropolitan Magistrate, Delhi for alleged cheating and forging of loan documentation in relation to loan availed of by the Complainant from L&T Finance. The matter is currently pending.
13. Sk Nijamuddin filed a criminal case against the borrower (the “Accused”) of L&T Finance before the Kharagpur police station for sale of hypothecated property without requisite permissions. The Accused has filed a petition before the Calcutta High Court for quashing the drawing up of charge sheet against the Accused and stay has been granted by the Calcutta High Court. The matter is currently pending.
14. Madhuri Devi (the “Complainant”) filed an FIR against an officer of L&T Finance (the “Accused”), before the Bhagwanpur Police Station in relation to *inter alia* alleged forcible re-possession of assets by the Accused. Subsequently, a criminal case has been initiated before the CJ Vaishali, Hajipur. The matter is currently pending.
15. M/s. Srikant Tractors filed a criminal case against the borrower of L&T Finance (the “Accused”) before the District Judge, Sagar, in relation to recovery of the margin amount towards the sale of the tractor by the Accused. The matter is currently pending.
16. The Electricity Department, Purnea filed a criminal case against L&T Finance before the Chief Judicial Magistrate, Purnea in relation to alleged theft of energy by L&T Finance. The matter is currently pending.
17. Jagarnath Tiwari filed an FIR against the employees of L&T Finance before the Gazipur police station, in relation to *inter alia* alleged forcible re-possession of car by the Accused. The matter is currently pending.
18. Baban Giri (the “Complainant”) filed an FIR against certain officials of L&T Finance (the “Accused”) before the Ranhola, Delhi police station *inter alia* for alleged theft of vehicle of the Complainant. The matter is currently pending.
19. Pushpendra Singh (the “Complainant”) filed an FIR against certain officials of L&T Finance (the “Accused”) before the Vidhayakpuri Police station *inter alia* for alleged forcible re-possession of assets by the Accused. The matter is currently pending.
20. Subhash Zende (the “Complainant”) filed criminal case against L&T Finance before the District Court, Pune, in relation to non-issuance of RC. The matter is currently pending.
21. Santosh Kumar (the “Complainant”) filed an FIR against certain officials of L&T Finance (the “Accused”) before the Harnaut police station *inter alia* for alleged forcible re-possession of assets by the Accused. Subsequently, a criminal case has been initiated before the Chief Judicial Magistrate Biharsharif at Nalanda. The matter is currently pending.

22. Chandra J (the “Complainant”) filed an FIR against certain officials of L&T Finance (the “Accused”) before the Faridkot police station *inter alia* for alleged forcible re-possession of assets by the Accused. The matter is currently pending.
23. Sumith Kumar filed a criminal petition against L&T Finance before the Andhra Pradesh High Court, in relation to alleged forcible re-possession of assets by the Accused. The matter is currently pending.

Direct tax matters

Five direct tax matters involving L&T Finance have been filed before various tribunals such as ITAT and CIT (Appeals) involving an aggregate amount of ₹ 52.41 million in relation to various issues including disallowance of expenses in relation to exempt dividend income under Section 14A of the Income Tax Act, disallowance of depreciation in respect of motor cars given under lease, short term capital gain on sale of equity shares being treated as business income, taxation of securitisation gain and business income on sale of business of L&T trade.com being treated as slump sale. The tribunals have passed refund orders aggregating to an amount of ₹ 697.25 million in four of the direct tax matters and one matter is pending before the ITAT.

Indirect tax matters

32 indirect tax matters involving L&T Finance with the Commissioner of Central Excise (Appeal) involving an aggregate amount of ₹ 175 million, in relation to service tax levied on receipt of interest on delayed payment and finance charges in case of hire purchase finance deals and foreclosure charges, inter-state exemption in case of deemed sale, claim of exemption for deemed sale by import and refusal of input tax credit by the authorities. The matters are currently pending.

Other matters

There are no outstanding litigations involving L&T Finance which exceed ₹ 2,500 million.

Other matters involving L&T Finance include petitions with regard to setting aside of awards, application for interim awards and consumer complaints. The matters are currently pending.

Litigation filed by L&T Finance

Criminal matters

There are 15 criminal complaints filed by L&T Finance before various forums in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act. The matters are currently pending.

Litigation involving L&T Infrastructure Finance Company Limited (“L&T IFCL”)

Litigation filed against L&T IFCL

Direct tax matters

Five direct tax matters involving L&T IFCL have been filed before various tribunals such as ITAT, CIT (Appeals) involving an aggregate amount of ₹ 144.16 million, in relation to various issues including disallowance of share issue expenses, expenses pertaining earning exempt income, expenditure in relation to issuance of debentures being treated as capital expenditure. The matters are currently pending.

Indirect tax matters

Two cases involving L&T IFCL have been filed before various tribunals such as Commissioner of Service Tax, Additional Commissioner of Service Tax involving an aggregate amount of ₹ 45.4 million, in relation to payment of service tax on upfront interest and for service tax proposed to be imposed on manpower supply for projects. The matters are currently pending.

Other matters

There are no outstanding litigations filed against L&T IFCL which exceed ₹ 2,500 million.

Other matters filed against L&T IFCL relate to various issues including *inter alia* testamentary petition filed against L&T IFCL, suit for declaration of right to passage of land filed against L&T IFCL. The matters are currently pending.

Litigation filed by L&T IFCL

Criminal matters

There are 21 criminal complaints filed by L&T IFCL before various forums in relation to dishonour of cheques under Section 138 of the Negotiable Instruments Act. The matters are currently pending.

Other matters

There are no outstanding litigations filed by L&T IFCL which exceed ₹ 2,500 million.

Other matters filed by L&T IFCL related to various issues including, winding up petitions filed by L&T IFCL against Avarsekar Realty Private Limited and Get Power Private Limited before the Bombay High Court and the Madras High Court, respectively, recovery of debt proceedings initiated by L&T IFCL against IDEB, Get Power Private Limited and Sujana Power Limited before various debt recovery tribunal. The matters are currently pending.

Litigation involving L&T Investment Management Limited (“L&T IML”)

Direct tax matters

One notice of demand involving L&T IML has been issued by the Deputy Commissioner of Income Tax, involving an aggregate amount of ₹ 1.20 million, in relation to investment made by L&T Mutual Fund in certain pass through certificates of a securitisation trust. The matter is currently pending.

Indirect tax matters

Two show cause notices have been issued by the Additional Commissioner of Service Tax to L&T IML involving an aggregate amount of ₹ 3.15 million in relation to *inter alia* disallowance on input availed on certain services and refusal to treat the services provided to M/s FIL Investment Management (Hong Kong) as export of services.

Other matters

There are no outstanding litigations involving L&T IML exceeding ₹ 2,500 million.

Other matters involving L&T IML relate to *inter alia* consumer matters filed against L&T IML in relation to deficiency of services and certain matters in relation to transmission of units post death of the investors, wherein L&T IML has been made a pro forma party for the purposes of submission of evidence. The matters are currently pending.

Litigation involving L&T Valves Limited (“L&T Valves”)

Direct tax matters

Seven direct tax petitions involving L&T Valves have been filed before various High Courts, ITAT and Commissioner of Income Tax involving an aggregate amount of ₹ 31.9 million, in relation to various issues including transfer pricing adjustments with respect to sales of valves to related parties, allowability of ESOP expenses and transactions not entered by L&T Valves appearing in Form 26AS. The matters are currently pending.

Indirect tax matters

24 (twenty four) matters in relation to central excise, sales tax and customs involving L&T Valves have been

filed before various forums such as Commissioner of Excise (Appeals), CESTAT, Revisional Authority Delhi, Ministry of Revenue, Commissioner of Customs, Joint Commissioner of Sales Tax, High Courts, Supreme Court involving an aggregate amount of ₹ 93.0 million, in relation to various issues including availment of exemption, classification of central excise, excise duty rebate, refund of VAT, input credit on manufacture of exempted goods. The matters are currently pending.

Other matters

There are no outstanding litigations involving L&T Valves which exceed ₹ 2,500 million.

One matter involving L&T Valves related to recovery proceedings initiated by the Canara Bank against L&T Valves before the Debt Recovery Tribunal, Madurai in relation to discounting of bills by M/s. Valla Castings Limited. The matter is currently pending.

IV. Litigation involving our Directors

Disclosure of litigation involving our Directors:

We have disclosed all pending criminal litigation and actions taken by regulatory or statutory authorities involving our Directors individually in this section. We have disclosed claims related to direct and indirect taxes involving our Directors in a consolidated manner giving details of number of cases and total amount. We have disclosed details of inquiry or investigation conducted by SEBI against our Directors.

Our Board has approved that given the nature and extent of operations of our Company and our Subsidiaries, the outstanding litigation involving our Directors which exceed the lower of one per cent of the consolidated revenue or five per cent of the consolidated net profit of our Company in the last audited financial year would be considered material for our Company. Accordingly, in addition to the above, we have disclosed all outstanding litigation involving our Directors where the aggregate amount involved exceeds ₹ 375 million have been disclosed individually and the litigation below ₹ 375 million involving our Directors have been consolidated and disclosed in a summary and indicative manner in this section.

Litigation against our Directors

1. Litigation involving A. M. Naik

Criminal matters

1. Two criminal complaints against our Promoter, A. M. Naik, S. N. Subrahmanyam and others have been filed by the Inspector, under the BCW Act, before the Karkardooma Court, Delhi. For further details, see “Outstanding Litigation and Material Developments- Litigation involving our Promoter- Litigation against our Promoter- Criminal matters” from pages 323 to 325.
2. The Regional Officer, of Gujarat Pollution Control Board filed a criminal complaint on behalf of GPCB, against our Promoter and the directors of our Promoter, including A. M. Naik and S. N. Subrahmanyam before the Chief Judicial Magistrate First Class, Vadodara. For further details, see “Outstanding Litigation and Material Developments- Litigation involving our Promoter- Litigation against our Promoter- Criminal matters” from pages 323 to 325.

Actions by regulatory/ statutory authorities

1. Our Promoter has filed various appeals before the Controller, Legal Metrology, Maharashtra. The Inspectors, Legal Metrology Karad, Chinchwad and Solapur, Maharashtra, have issued several notices to A. M. Naik, in the capacity of he being a director of our Promoter, in relation to alleged non-stamping and non-verification of liquid petroleum gas fuel dispenser pumps’ business under the Legal Metrology Act, 2009 which was sold by our Promoter in 2009. The matters are currently pending.
2. SEBI has issued notices to our Promoter and A. M. Naik in relation to alleged violation of the SEBI Act and the SEBI Insider Trading Regulations for delay in reporting obligations in connection with certain trades in shares of our Promoter. A. M. Naik has filed a reply to SEBI indicating *inter alia* that other than in the case of certain trades where the delay was inadvertent or due to delays on account of a weekend or delivery by courier, the other trades were reported within the prescribed time. Our Promoter has filed its reply to SEBI indicating *inter alia*, that in case of certain trades undertaken by A. M. Naik there was one day delay in reporting primarily on account of certain technical issues in accessing exchange portals on that day and hence, the disclosure was filed on the next day. The matter

is currently pending.

Other matters

There are no outstanding litigation involving A. M. Naik which exceed ₹ 375 million.

Other matters involving A. M. Naik where the aggregate amount involved is below ₹ 375 million include complaint and contempt petition filed against A. M. Naik in relation to transfer of employee and alleged unfair termination from employment of the employee.

2. Litigation involving S. N. Subrahmanyam

Criminal matters

1. A criminal complaint against our Promoter, A. M. Naik, S. N. Subrahmanyam and others has been filed by the Inspector, under the BCW Act, before the Karkardooma Court, Delhi. For further details, see “Outstanding Litigation and Material Developments- Litigation involving our Promoter- Litigation against our Promoter- Criminal matters” from pages 323 to 325.
2. The Regional Officer, of Gujarat Pollution Control Board (the “GPCB”) filed a criminal complaint on behalf of GPCB, against our Promoter and the directors of our Promoter, including A. M. Naik and S. N. Subrahmanyam before the Chief Judicial Magistrate First Class, Vadodara. For further details, see “Outstanding Litigation and Material Developments- Litigation involving our Promoter- Litigation against our Promoter- Criminal matters” from pages 323 to 325.

Actions by regulatory/ statutory authorities

Our Promoter filed an appeal before the Controller, Legal Metrology, Maharashtra in relation to the alleged non-compliance by the directors of our Promoter under the Legal Metrology Act and the Legal Metrology Rules for non-stamping and non-verification of dispenser pumps of liquid petroleum gas. For further details, see “Outstanding Litigation and Material Developments- Litigation involving our Promoter- Litigation against our Promoter- Criminal matters” from pages 323 to 325.

Action initiated by SEBI against the Entities operating in the Securities Market with which Directors are associated

1. SEBI has issued notices to our Promoter and A. M. Naik in relation to alleged violation of the SEBI Act and the SEBI Insider Trading Regulations for certain trade in shares of our Promoter. For further details, see “Outstanding Litigation and Material Developments- Litigation involving our Directors- Litigation against our Directors” from pages 338 to 339.
2. SEBI had initiated adjudicating proceedings against the Principal Mutual Fund, Principal PnB Asset Management Company Private Limited (the “AMC”) and Principal Trustee Company Private Limited (the “Trustee”) in which M. M. Chitale is an independent director, to enquire and adjudge the alleged violations of certain circulars issued by SEBI. SEBI levied a penalty of ₹ 1.00 million each on the AMC and the Trustee, respectively under Section 15D(b) of the SEBI Act, which have been paid by the AMC and the Trustee.

V. Material Developments

For details of material developments since last balance sheet date, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 296.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of material approvals obtained by our Company and our Subsidiaries. The indicative approvals set out below are obtained by our Company and our Subsidiaries, as applicable (other than Offer and incorporation related approvals), for the purposes of undertaking their business. In view of these approvals, our Company and our Subsidiaries can undertake this Offer and current business activities. We have disclosed below pending approvals which have been applied for by our Company and our Subsidiaries and approvals that are required but not obtained.

Approval for the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures- Authority for the Offer” on page 342.

Incorporation Details of our Company

1. Certificate of incorporation dated December 23, 1996 issued by the RoC to our Company.
2. Certificate for commencement of business dated March 25, 1997 issued by the RoC to our Company.
3. Fresh certificate of incorporation consequent upon change in name dated June 25, 2001 issued by the RoC to our Company.

Business Related Approvals

Our Company requires various approvals for us to carry on our business in India and overseas. The approvals that we require include the following:

(a) General approvals and registrations in India

1. Consent from the various pollution control boards in relation to consent in discharge of effluents under the Water Pollution Act and Air Pollution Act;
2. Licence in relation to importation and storage of petroleum issued by the Petroleum and Explosives Safety Organisation, Ministry of Commerce;
3. Shops and Establishments certificate issued under relevant laws of state we operate.
4. Certificate of importer-exporter code issued by the Ministry of Commerce and Industry.

(b) General approvals and registrations outside India

We have several branches operating overseas and some of our Subsidiaries are incorporated outside India. Accordingly, we obtain various registrations, including certificate of registration of incorporation, commercial registrations to carry on business and registrations in the trade register with the local authorities.

(c) Approvals related to STPI and SEZ units

1. Letter of Permission from the Special Economic Zone, Office of the Development Commissioner, Government for extension of all the facilities and entitlements admissible to units in a special economic zone subject to the provisions of the Special Economic Zones Act, 2005 and rules made thereunder for establishment of a unit in a sector specific SEZ for *inter alia* IT/ITES, software development, consulting and training.
2. Letter of Permission from the STPI, Department of Electronic and Information Technology, Ministry of Communications & Information Technology, for setting up of an EOU under the STPI scheme of the GoI.
3. Approval from the Office of the Commissioner of Customs, Ministry of Finance, Government under the Customs Act, 1962 and Warehouse Regulations, 1966 for manufacture of software development and export of the same from the unit set up under the EOU scheme.

(d) Employees and Labour related approval

Registration certificate issued by the Assistant Commissioner of Labour for 'principal employer' under the Contract Labour Act, 1970.

(e) Property related approvals

Our Company has leased land and set-up an EOU unit in Mahape, Maharashtra and our Company has obtained various approvals in relation to the aforesaid building including *inter alia* occupancy certificate, building completion certificate and drainage certificate from the Maharashtra Industrial Development Corporation. Further, in relation to property occupied by us held on leasehold basis from our Promoter and third parties, certain approvals are obtained by our Promoter and third parties, as applicable.

(f) Tax Related Approvals and Other Registrations

Our Company and our Subsidiaries have obtained various tax related approvals including, permanent account number, registration under the Central Excise Act, 1944, service tax registration issued by the Central Board of Excise and Customs, registration for local body tax under the Maharashtra Municipal Corporations Act, 1949, approvals and registrations, our Company also maintains registration for VAT and sales tax in the states where our Company operates.

Pending approvals

One of our recently incorporated Subsidiaries, L&T Infotech Austria, has filed an application for tax registration with the Federal Ministry of Finance, Austria.

Approvals required but not obtained

1. Commercial registration certificate dated August 17, 2010 valid up to August 16, 2015 pertaining to the branch of our Company located at Oman; and
2. Trade licence is yet to be applied for by one of our recently incorporated Subsidiaries, L&T Infotech Austria.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board of Directors has approved the Offer pursuant to the resolution passed at their meeting held on June 16, 2015.

The Offer for Sale has been authorised by the Selling Shareholder pursuant to resolution passed by its board of directors on July 31, 2015.

The Selling Shareholder has confirmed that it has held the Equity Shares proposed to be offered and sold in the Offer for Sale for at least one year prior to the date of filing this Draft Red Herring Prospectus and the Equity Shares proposed to be offered and sold by the Selling Shareholder are free from any lien, charge, encumbrance or contractual transfer restrictions. The Selling Shareholder has also confirmed that the Selling Shareholder is the legal and beneficial owner of the Equity Shares being offered under the Offer for Sale.

Our Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the Promoter Group, the Group Companies and the Selling Shareholder have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoter or Directors are or were associated as promoter, directors or persons in control have not been debarred from accessing in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Other than M. M. Chitale, none of our Directors are associated with the securities market. Except as disclosed in “Outstanding Litigation and Material Developments” on page 320, there are no violations of securities laws committed by any of our Directors in the past or are pending against them.

Prohibition by RBI

Neither our Company, nor our Promoter, Directors, Group Companies, nor the Selling Shareholder have been identified as wilful defaulters by the RBI or any other governmental authority.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI Regulations as explained below:

- Our Company has had net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each). As the Offer is being made entirely through an offer for sale, the limit of not more than 50% of net tangible assets being monetary assets, is not applicable;
- Our Company has a minimum average pre-tax operating profit of ₹ 150 million calculated on a consolidated restated basis, during the three most profitable years out of the immediately preceding five years;
- Our Company has a net worth of at least ₹ 10.0 million in each of the three preceding full years (of 12 months each);
- The aggregate size of the proposed Offer and all previous issues made in the same financial year is not expected to exceed five times the pre-Offer net worth as per the audited balance sheet of our Company for the year ended March 31, 2015; and
- Our Company has not changed its name within the last one year.

Our Company's pre-tax operating profit, net worth and net tangible assets derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last five years ended March 31 are

set forth below:

(In ₹ Million, unless otherwise stated)

Particulars	Financial Year ended March 31,				
	2015	2014	2013	2012	2011
Net tangible assets	2,749.82	2,794.65	2,449.87	2,263.44	1,718.90
Pre-tax operating profit, as restated	10,965.92	10,649.17	8,910.08	7,005.09	4,686.29
Net worth	20,263.48	16,102.93	13,387.99	11,053.60	11,357.73

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application monies shall be refunded forthwith.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, ICICI SECURITIES LIMITED AND BARCLAYS BANK PLC HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR THE EQUITY SHARES OFFERED BY IT BY WAY OF THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2015 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE OFFER;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDER, WE CONFIRM THAT:**

- (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013, AS APPLICABLE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (“SEBI REGULATIONS”) AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.
 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE
 5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF EQUITY SHARES AS PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
 6. WE CERTIFY THAT REGULATION 33 OF THE SEBI REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER’S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. – COMPLIED WITH AND NOTED FOR COMPLIANCE
 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER’S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS’ CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER’S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. NOT APPLICABLE
 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE ‘MAIN OBJECTS’ LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH TO THE EXTENT APPLICABLE

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS WILL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDER SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI REGULATIONS WHILE MAKING THE OFFER. -NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, AS PER THE ACCOUNTING STANDARD 18 AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS.
18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI REGULATIONS (IF APPLICABLE)- NOT APPLICABLE.

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up, at any point of time, with the BRLMs any irregularities or lapses in this Draft Red Herring Prospectus, the Red Herring Prospectus, and the Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve the Selling Shareholder from any liabilities to the extent of the statements made by it in respect of the Equity Shares offered by the Selling Shareholder, as part of the Offer for Sale, under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholder and the BRLMs

Our Company, the Directors, the Selling Shareholder and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.lntinfotech.com or the respective websites of our Promoter, Promoter Group or Group Companies, would be doing so at his or her own risk.

The Selling Shareholder, its directors, affiliates (other than our Company), associates and officers accept/undertake no responsibility for any statements made other than those made in relation to the Selling Shareholder and to the Equity Shares offered by the Selling Shareholder, by way of the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder and our Company.

All information shall be made available by our Company, the Selling Shareholder and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Our existing customers (including the largest customer and others among the top ten customers) include one of the BRLMs and affiliates of certain of the BRLMs, comprising Citi, Kotak and Barclays. In the past, in 2011, our Company also acquired shares of LTIFST pursuant to an agreement with Citigroup Fund Services Canada Inc. as part of a transaction where Citigroup Fund Services Canada Inc. transferred, *inter-alia*, assets to LTIFST pursuant to an asset purchase agreement (see the Notes to the Financial Statements in the section "Financial Statements" beginning on page 194 for additional information on this transaction). The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholder and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, the Selling Shareholder and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Price information of past issues handled by the BRLMs

A. Citi

1. Price information of past issues handled by Citi

Sr. No.	Issue Name	Issue Size (₹ in million)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10 th calendar day from listing day (₹)	Benchmark index as on 10 th calendar days from listing day (Closing)	Closing price as on 20 th calendar day from listing day (₹)	Benchmark index as on 20 th calendar days from listing day (Closing)	Closing price as on 30 th calendar day from listing day (₹)	Benchmark index as on 30 th calendar days from listing day (Closing)
1.	Just Dial Limited ⁽³⁾	9,191.41	530.00	June 5, 2013	590.00	611.45	15.37%	19,568.22	629.30	19,177.93	625.45	18,629.15	655.80	19,495.82
2.	UFO Moviez India Ltd.	6,000.00	625.00	May 14, 2015	600.00	598.80	(-) 4.19%	27,206.06	600.15	27,957.50	562.75	27,188.38	553.25	26,425.30

Source: www.bseindia.com

Notes:

1. Benchmark index is BSE Sensex.
2. In case 10th/ 20th/ 30th day is not a trading day, closing price on the BSE of a trading day immediately prior to the 10th/ 20th/ 30th day, is considered
3. A discount of ₹47 per Equity Share was offered to Retail Individual Bidders in the IPO

2. Summary statement of price information of past issues handled by Citi

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30 th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
April 1, 2014 – May 15, 2015	1	6,000.00	-	-	1	-	-	-	-	-	1	-	-	-
2013-14	1	9,191.41	-	-	-	-	-	1	-	-	-	-	-	1
2012-13	-	-	-	-	-	-	-	-	-	-	-	-	-	-

B. Kotak Mahindra Capital Company Limited

1. Price information of past issues handled by Kotak:

Sr. No.	Issue Name	Issue Size (₹ in million)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10 th calendar day from listing day	Benchmark index as on 10 th calendar days from listing day (Closing)	Closing price as on 20 th calendar day from listing day	Benchmark index as on 20 th calendar days from listing day (Closing)	Closing price as on 30 th calendar day from listing day	Benchmark index as on 30 th calendar days from listing day (Closing)
1.	Sadbhav Infrastructure Project Limited	4,916.57	103.00	September 16, 2015	111.00	106.2	3.11%	7,899.15	-	-	-	-	-	-
2.	Power Mech Projects Limited	2,732.16	640.00	August 26, 2015	600.00	586.55	-8.35%	7,791.85	601.05	7,655.05	586.95	7,872.25	-	-
3.	Manpasand Beverages Limited	4,000.00	320.00	July 9, 2015	300.00	327.75	2.42%	8,328.55	338.90	8,609.85	367.70	8,337.00	394.25	8,564.60
4.	Adlabs Entertainment Limited ⁽¹⁾	3,745.94	180.00	April 6, 2015	162.20	192.65	7.03%	8,659.90	175.90	8,750.20	144.45	8,305.25	146.95	8,324.80
5.	Ortel Communications Limited	1,736.49	181.00	March 19, 2015	160.05	162.25	-10.36%	8,634.65	147.50	8,492.30	156.00	8,660.30	174.35	8,606.00

Source: www.nseindia.com

Notes:

1. In Adlabs Entertainment Limited, the issue price to retail individual investor was ₹168 per equity share after a discount of ₹12 per equity share. The Anchor Investor Issue price was ₹221 per equity share.
2. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.
3. Nifty is considered as the benchmark index.

2. Summary statement of price information of past issues handled by Kotak:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30 th calendar day from listing day			No. of IPOs trading at premium as on 30 th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
April 1, 2015–September 22, 2015	4	15,394.67	-	-	1	-	-	3	-	-	1	-	-	1
2014-15	1	1,736.49	-	-	1	-	-	-	-	-	1	-	-	-
2013-14	-	-	-	-	-	-	-	-	-	-	-	-	-	-

C. Barclays Bank PLC

Barclays Bank PLC has not handled any initial public offerings of equity shares in the current Financial Year and two Financial Years preceding the current Financial Year.

D. I- Sec

1. Price information of past issues handled by I-Sec

Sr. No.	Issue Name	Issue size (₹ in million)	Issue price (₹ in million)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10 th calendar day from listing day	Benchmark index as on 10 th calendar day from listing day (Closing)	Closing price as on 20 th calendar day from listing day	Benchmark index as on 20 th calendar day from listing day (Closing)	Closing price as on 30 th calendar day from listing day	Benchmark index as on 30 th calendar day from listing day (Closing)
1.	Shemaroo Entertainment Limited	1,200.00	170 ⁽¹⁾	October 1, 2014	180	171.00	0.59%	7,945.55	154.00	7,859.95	160.35	7,927.75	163.95	8322.20
2.	Wonderla Holidays Limited	1,812.50	125	May 9, 2014	160	157.80	26.24%	6,858.80	166.80	7,263.55	212.60	7,235.65	216.15	7654.60
3.	VRL Logistics Limited	4,678.78	205	April 30, 2015	288	294.10	43.46%	8,181.50	279.95	8,325.25	301.25	8,423.25	306.55	8433.40
4.	PNC Infratech Limited	4,884.41	378	May 26, 2015	387.00	360.50	(4.63%)	8,339.35	379.45	8,114.70	379.90	8,013.90	390.35	8,398.00
5.	Manpasand Beverages Limited	4,000.00	320	July 9, 2015	300.00	327.75	2.42%	8,328.55	352.75	8,603.45	373.05	8,375.05	434.70	8,525.60
6.	Sadbhav Infrastructure Project Limited	4,916.57	103	July 16, 2015	111.00	106.20	3.11%	7899.15	NA	NA	NA	NA	NA	NA

(1) Discount of ₹ 17 per equity share offered to retail investors. All calculations are based on Issue Price of ₹ 170.00 per equity share

Notes:

1. All data sourced from www.nseindia.com
2. Benchmark index considered is NIFTY
3. 10th, 20th, 30th calendar day from listed day have been taken as listing day plus 10, 20 and 30 calendar days, except wherever 10th, 20th, 30th calendar day is a holiday, in which case we have considered the closing data of the next trading date/day

2. Summary statement of price information of past issues handled by I-Sec

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30 th calendar day from listing day			No. of IPOs trading at premium as on 30 th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2015-16	4	18,479.76	0	0	1	0	1	2	0	0	0	0	2	1
2014-15	2	3,012.50	0	0	0	0	1	1	0	0	1	1	0	0
2013-14	0	Nil	0	0	0	0	0	0	0	0	0	0	0	0

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs, as set out in the table below:

Sr. No	Name of the BRLM	Website
1.	Citi	http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
2.	Kotak	http://www.investmentbank.kotak.com
3.	Barclays	http://www.barclays.in/investment-banking/index.html
4.	I-Sec	http://www.icicisecurities.com

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, insurance companies registered with the IRDAI, permitted provident funds and pension funds, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India) and to FIIs, Eligible NRIs, FPIs and other eligible foreign investors (viz. bilateral and multilateral development financial institution). This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus had been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, the Subsidiaries or the Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) pursuant to Rule 144A of the U.S. Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies, 100, Everest, Marine Drive, Mumbai 400 002.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholder shall forthwith repay, without interest, all moneys received from the Bidders / Applicants in pursuance of the Red Herring Prospectus / Prospectus. If such money is not repaid within the prescribed time after our Company and the Selling Shareholder become liable to repay it, then our Company and every Director of our Company who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest, as disclosed in the Red Herring Prospectus or the Prospectus.

Our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within 12 Working Days of the Bid/Offer Closing Date. Further, the Selling Shareholder confirm that they shall provide assistance to our Company and, the BRLMs, as may be reasonably required and necessary, for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 12 Working Days of the Bid/Offer Closing Date.

If our Company does not Allot Equity Shares pursuant to the Offer within 12 Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Selling Shareholder confirms that it shall reimburse our Company for any interest payments made by our Company on behalf of the Selling Shareholder in this regard.

Consents

Consents in writing of the Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal advisors, Banker/Lenders to our Company, and the BRLMs, the Syndicate Members, the Escrow Collection Banks, Refund Bank and the Registrar to the Offer to act in their respective capacities, have been obtained / will be obtained prior to filing of the Red Herring Prospectus with the RoC and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI Regulations, our Statutory Auditors, Sharp & Tannan, Chartered Accountants have given their written consent to the inclusion of its audit reports dated July 27, 2015 on unconsolidated Restated Financial Statements and consolidated Restated Financial Statements and the statement of tax benefits dated September 18, 2015 included in this Draft Red Herring Prospectus and such consent have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Experts to the Offer

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

Our Company has received written consent from our Statutory Auditors, Sharp & Tannan, Chartered Accountants, to include their names as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the audit reports dated July 27, 2015 on unconsolidated Restated Financial Statements and consolidated Restated Financial Statements and the statement of tax benefits dated September 18, 2015 and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. As the Equity Shares in the Offer will not be registered under the U.S. Securities Act, any references to the term “expert” herein and the Statutory Auditor’s consent to be named as an “expert” to the Offer are not in the context of a U.S. registered offering of securities.

Offer Expenses

The expenses of this Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see “Objects of the Offer” on page 95.

The Offer related expenses will be paid by the Selling Shareholder.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the engagement letter dated August 12, 2015 with the BRLMs and the Syndicate Agreement.

Commission payable to SCSBs and Registered Brokers

For details of the commission payable to SCSBs and Registered Brokers, see “Objects of the Offer” on page 95.

Fees Payable to the Registrar to the Offer

The fees payable by our Company and the Selling Shareholder to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated August 26, 2015 entered into, between our Company, the Selling Shareholder and the Registrar to the Offer, a copy of which will be available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in “Capital Structure” on page 82, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on previous issues

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company’s inception.

Previous capital issue during the previous three years by listed Group Companies and subsidiaries of our Company

None of our Group Companies or Subsidiaries have their equity shares listed on any stock exchange.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies and associates of our Company

Other than as disclosed in “Capital Structure”, on page 82, our Company has not undertaken any previous public or rights issue. None of our Group Companies or our Subsidiaries have undertaken any public or rights issue of their equity shares in the last ten years preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures or Bonds

There are no outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

Outstanding Preference Shares or other convertible instruments issued by our Company

Other than employee stock options issued under the Existing Employee Stock Option Plans, our Company does not have any outstanding preference shares or other convertible instruments as on date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring

Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholder provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

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

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

Further, with respect to the Bid cum Application Forms submitted with the Registered Brokers, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholder Relationship Committee comprising of (i) S.N. Subrahmanyam (*Chairman*), (ii) Vedika Bhandarkar and (iii) Sanjay Jalona. For details, see “Our Management- Committees of the Board- Stakeholder Relationship Committee” on page 168.

Our Company has also appointed S. K. Bhatt, as the Compliance Officer for the Offer and he may be contacted in case of any pre- Offer or post- Offer related problems at the following address:

S. K. Bhatt

L&T Technology Center,
Gate No.5, Saki Vihar Road
Powai
Mumbai 400 072
Tel: (91 22) 6776 6776
Fax: (91 22) 2858 1130
E-mail: investor@lntinfotech.com

Investor grievance mechanism and investor complaints for the listed companies (whose equity shares are listed on stock exchanges) under the same management within the meaning of section 370 (1B) of the Companies Act, 1956

L&T Finance Holdings Limited (“L&T Finance Holdings”) has arrangements and mechanisms in place for redressal of investor grievance. L&T Finance Holdings received 52 investor complaints during the three years preceding the Draft Red Herring Prospectus and all 52 investor complaints have been disposed off. There are no investor complaints pending as on the date of the Draft Red Herring Prospectus with SEBI. The average time taken in resolving the complaints is seven to 10 working days.

Investor grievance mechanism and investor complaints for our Promoter

Our Promoter has arrangements and mechanisms in place for redressal of investor grievance. The number of investor complaints received during the three years preceding the Draft Red Herring Prospectus and the number of complaints disposed off during that period are as follows:

Period	Complaints received	Complaints disposed off
After March 31, 2015	27	26
Financial Year 2014-15	62	61
Financial Year 2013-14	91	91
Financial Year 2012-13	84	84
Total	264	262

Two investor complaints are pending as on the date of the Draft Red Herring Prospectus. The average time taken in resolving the complaints is three working days.

Changes in auditors

There has been no change in our Auditors for the last three years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

Except as disclosed in “Financial Statements” beginning on page 194, there has been no revaluation of assets by our Company.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being Offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Offer. SEBI has notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”) on September 2, 2015, which will govern the obligations which are currently prescribed under the Equity Listing Agreement. The substantive portions of the Listing Regulations will become effective from the 90th day after its publication in the Gazette of India. If the Offer is not completed prior to such date, we would undertake necessary changes prior to filing of the Red Herring Prospectus with the RoC.

Ranking of the Equity Shares

The Equity Shares being offered pursuant to the Offer shall be subject to the provisions of the Companies Act and the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares including rights to receive dividend. The Allottees of the Equity Shares under the Offer, will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see “Main Provisions of the Articles of Association” beginning on page 412.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum of Association and the Articles of Association and provisions of the Equity Listing Agreement to be entered into with the Stock Exchanges. For further details in relation to dividends, see “Dividend Policy” and “Main Provisions of the Articles of Association” beginning on pages 193 and 412, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹1 per Equity Share and the Offer Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum bid lot will be decided by our Company and the Selling Shareholder in consultation with the BRLMs and will be advertised in [●] edition of an English national newspaper [●], [●] edition of a Hindi national newspaper [●] and [●] edition of a Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the 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 the Stock Exchanges for the purpose of uploading on their respective websites.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with the SEBI Regulations

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Equity Listing Agreements to be entered into by our Company with the Stock Exchange(s) and the Memorandum of Association and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Main Provisions of Articles of Association” on page 412.

Option to Receive Securities in Dematerialised Form

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated July 27, 2015 entered into between NSDL, our Company and the Registrar to the Offer; and
- Agreement dated July 27, 2015 entered into between CDSL, our Company and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office or Corporate Office or to the Registrar.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Bidders require changing of their nomination, they are requested to inform

their respective depository participant.

Period of operation of subscription list

See “Offer Structure – Bid/Offer Programme” from pages 362 to 363.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI Regulations. However, if our Company does not make the minimum Allotment for at least 10% of the post-Offer equity share capital of our Company in terms of Rule 19(2)(b)(iii) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company and the Selling Shareholder shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholder shall pay interest prescribed under the applicable law.

Further, our Company and the Selling Shareholder shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI Regulations.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, the minimum Promoter’s contribution and the Anchor Investor lock-in of Equity Shares as detailed in “Capital Structure” beginning on page 81 and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see “Main Provisions of the Articles of Association” beginning on page 412.

OFFER STRUCTURE

Offer of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million by way of the Offer of Sale by the Selling Shareholder. The Offer will constitute [●] % of the post-Offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs ⁽¹⁾	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation ⁽²⁾	[●] Equity Shares	Not less than [●] Equity Shares available for allocation	Not less than [●] Equity Shares available for allocation
Percentage of Offer Size available for Allotment/allocation	Not more than 50% of the Offer Up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation to mutual funds only	Not less than 15% of the Offer	Not less than 35% of the Offer
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	In the event, the Bids received from Retail Individual Bidders exceeds [●] Equity Shares, then the maximum number of Retail Individual Bidders who can be Allotted the minimum Bid Lot will be computed by dividing the total number of the Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot (“ Maximum RIB Allottees ”). The Allotment to Retail Individual Bidders will then be made in the following manner: In the event the number of Retail Individual Bidders who have submitted valid Bids in the Offer is equal to or less than Maximum RIB Allottees, (i) Retail Individual Bidders shall be Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the Retail Individual Bidders who have received Allotment as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

Particulars	QIBs ⁽¹⁾	Non Institutional Bidders	Retail Individual Bidders
			In the event the number of Retail Individual Bidders who have submitted valid Bids in the Offer is more than Maximum RIB Allottees, the Retail Individual Bidders (in that category) who will then be Allotted minimum Bid Lot shall be determined through a draw of lots basis. In the event of a draw of lots, Allotment will only be made to such Retail Individual Bidders who are successful pursuant to such draw of lots. For details, see “Offer Procedure” beginning on page 364.
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares so that the Bid Amount does not exceed ₹200,000.
Mode of Bidding	Through ASBA process only	Through ASBA process only	Through ASBA or non-ASBA process
Mode of Allotment	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can apply ⁽³⁾	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs other than Category III Foreign	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, societies and trusts, Category III Foreign Portfolio Investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)

Particulars	QIBs ⁽¹⁾	Non Institutional Bidders	Retail Individual Bidders
	Portfolio Investors, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India		
Terms of Payment	Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form (including for Anchor Investors) ⁽⁴⁾⁽⁵⁾	Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form ⁽⁵⁾	Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form ⁽⁵⁾

- (1) Our Company and the Selling Shareholder in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Offer Procedure" on page 364.
- (2) Subject to valid Bids being received at or above the Offer Price. In terms of Rule 19(2)(b)(iii) of the SCRR, this is an Offer for at least 10% of the post Offer paid up equity share capital of our Company. The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholder in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.
- (3) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Forms. The balance, if any, due to difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be paid within the two Working Days of the Bid/Offer Closing Date.
- (5) In case of ASBA Bidders, the SCSBs shall be authorised to block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.

Under-subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange. Our Company and the Selling Shareholder may (in consultation with the

BRLMs) offer a discount or reservation to eligible investors in accordance with the SEBI Regulations.

Withdrawal of the Offer

Our Company and the Selling Shareholder, in consultation with the BRLMs, reserve the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of ASBA Bidders within one day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

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

Bid/Offer Programme

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

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

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

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholder or the BRLMs.

While our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 12 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder confirms that it shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within 12 Working Days from the Bid/Offer Closing Date.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time (“IST”)) during the Bid/Offer Period (except the Bid/Offer Closing Date) at the bidding centres and the Designated Branches mentioned on the Bid cum Application Form or by members of the Syndicate at the Specified Locations or by the Registered Brokers at the Broker Centre.

On the Bid/Offer Closing Date, the Bids and any revision in the Bids shall be accepted only between 10.00 a.m. (IST) and 3.00 p.m. (IST) and shall be uploaded until (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and (ii) until 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system would be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. IST on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on Business Days i.e. Monday to Friday (excluding any public holiday). Our Company, the Selling Shareholder and the members of Syndicate are not liable for any failure in uploading Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.

Our Company and the Selling Shareholder in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and the terminals of the other members of the Syndicate.

OFFER PROCEDURE

All Bidders should review the General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under “Offer Procedure- Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, and the amendments to the SEBI Regulations to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, certain changes would be applicable to the issue procedure for initial public offerings, including making the ASBA process mandatory for all investors (except for Anchor Investors) and allowing registrar, share transfer agents, depository participants and stock brokers to accept application forms. These changes are applicable for public issues which open on or after January 1, 2016. In the event that the Bid/Issue Opening Date for this Offer is on or after January 1, 2016, we will have to make appropriate changes to the “Offer Procedure” section and other sections of this Draft Red Herring Prospectus, prior to filing of the Red Herring Prospectus with the RoC.

Our Company, the Selling Shareholder and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholder in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with SEBI Regulations, of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription if any, in any category, except in the QIB category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Please note that there is a common Bid cum Application Form for ASBA Bidders as well as for non-ASBA Bidders. Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Syndicate Members, the Registered Brokers, the SCSBs and the Registered Office. An electronic copy of the Bid cum Application Form will also be available on the websites of the SCSBs, NSE (www.nseindia.com) and BSE (www.bseindia.com) and the terminals of the Registered Brokers. Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLMs.

QIBs (other than Anchor Investors) and Non-Institutional Bidders shall mandatorily participate in the Offer only through the ASBA process. Retail Individual Bidders can participate in the Offer through the ASBA process as well as the non-ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders must provide bank account details in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected. In relation to non-ASBA Bidders, the bank account details shall be available from the depository account on the basis of the DP ID, Client ID and PAN provided by the non-ASBA Bidders in their Bid cum Application Form.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs, as the case may be, submitted at the Bidding centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FIIs, Eligible FPIs, or FVCIs, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue
Anchor Investors	White

**Excluding electronic Bid cum Application Form*

Who can Bid?

The categories of Bidders set forth under “– General Information Document for Investing in Public Offers – Category of Bidders Eligible to Participate in an Offer” are eligible to invest in the Equity Shares and include any other person as allowed under all applicable laws, regulations and guidelines.

Participation by associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of Bidders, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds sponsored by entities related to the BRLMs, the BRLMs and any persons related to the BRLMs cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid

has been made.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLMs, the Syndicate Members, the Registered Brokers and the SCSBs. Only Bids accompanied by payment in Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs (applying on a non-repatriation basis) should make payments by inward remittance in foreign exchange through normal banking channels or out of funds held in Non-Resident External (“NRE”) Accounts, Foreign Currency Non-Resident (“FCNR”) Accounts or Non-Resident Ordinary (“NRO”) Account. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour). Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

Eligible NRIs intending to make payment through freely convertible foreign exchange and bidding on a repatriation basis could make payments through Rupee drafts purchased abroad or cheques or bank drafts or by debits to their NRE or FCNR accounts maintained with banks authorised by the RBI to deal in foreign exchange. Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour), accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Bids by non-resident Bidder bidding on a repatriation basis will not be accepted out of NRO accounts.

Non-ASBA Bids by NRIs shall be submitted only in the locations specified in the Bid cum Application Form.

Bids by FIIs and FIIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely ‘foreign institutional investors’ and ‘qualified foreign investors’ were subsumed under a new category namely ‘foreign portfolio investors’ or ‘FPIs’. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration with the SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who has not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Accordingly, qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in the Offer.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

The existing individual and aggregate investment limits for an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investors and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their

investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, pursuant to a circular dated November 24, 2014 issued by SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility conditions set forth in the SEBI FPI Regulations; and (ii) do not have "opaque structures", as defined under the SEBI FPI Regulations.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations and the SEBI FVCI Regulations *inter alia* prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing which, our Company and the Selling Shareholder reserve the right to reject any Bid by a limited liability partnership without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing which, our Company and the Selling Shareholder reserve the right to reject any Bid by a banking company without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs (including FIIs), Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case,

subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to accept or reject any such Bid in whole or in part, in either case, without assigning any reasons thereof.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 are broadly set forth below:

- a) equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) and (c) above, as the case may be.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing which, our Company and the Selling Shareholder reserve the right to reject any such Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of the Syndicate or Registered Broker or SCSB (except in case of electronic forms);
6. In relation to the ASBA Bids, ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Syndicate in the Specified Locations or with a Registered Broker at the Broker Centres, and not to the Escrow Collection Banks (assuming that such bank is not a SCSB) or to our Company or the Selling Shareholder or the Registrar to the Offer;
7. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. QIBs (other than Anchor Investors) and Non-Institutional Bidders should Bid through the ASBA process only;
9. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
10. Ensure that you request for and receive a TRS for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (at Specified Locations), the SCSBs or the Registered Broker (at the Broker Centres);
12. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;
13. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;
14. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process;
15. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for Bidders residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
17. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
19. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

20. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
 21. Ensure that the category and sub-category under which the Bid is being submitted is clearly specified in the Bid cum Application Form;
 22. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
 23. If you are resident outside India, ensure that Bids by you are in compliance with applicable foreign and Indian laws;
 24. Ensure that the DP ID, Client ID and PAN are mentioned in the Bid cum Application Form and entered into the electronic bidding of the Stock Exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database. Bidders are required to note that in case the DP ID, Client ID and PAN mentioned in the Bid-cum-Application Form and entered into the online IPO systems of the Stock Exchanges do not match the DP ID, Client ID and PAN available in the Depository database, the such Bids are liable to be rejected. Where the Bid-cum-Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and that such names are in the same sequence in which they appear in the Bid-cum-Application Form;
 25. In relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Locations) and/or relevant SCSB and/ or the Designated Branch and/ or the Registered Broker at the Broker Centres (except in case of electronic forms);
 26. Ensure that you tick the correct Bidder category, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the online IPO system of the Stock Exchanges;
 27. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
 28. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/> Recognised-Intermediaries, updated from time to time). ASBA Bidders bidding through a Registered Broker should ensure that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms;
 29. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
 30. Ensure that the entire Bid Amount is paid at the time of submission of the Bid or in relation to the ASBA Bids, ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form; and
 31. In relation to the ASBA Bids, ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your Bid cum Application Form.
- The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/ revise the Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;
4. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;
5. If you are an ASBA Bidder, the payment of the Bid Amount in any mode other than blocked amounts in the bank account maintained with an SCSB shall not be accepted under the ASBA process;
6. Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate, the SCSBs or the Registered Brokers only;
7. Do not submit the Bid cum Application Forms to the Escrow Collection Bank(s) (assuming that such bank is not a SCSB), our Company, the Selling Shareholder or the Registrar to the Offer;
8. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or the SCSBs;
9. Anchor Investors should not Bid through the ASBA process;
10. If you are a QIB or Non-Institutional Bidder, do not Bid at Cut-off Price;
11. If you are a Retail Individual Bidder, do not Bid for a Bid Amount exceeding ₹ 200,000;
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
13. Do not submit the GIR number instead of the PAN;
14. In case you are a Bidder other than an ASBA Bidder, do not submit the Bid without payment of the entire Bid Amount. In case you are an ASBA Bidder, do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
15. In case you are an ASBA Bidder, do not instruct your respective banks to release the funds blocked in the ASBA Account;
16. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
17. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
18. If you are a QIB, do not submit your Bid after 3.00 p.m. (IST) on the Bid/Offer Closing Date for QIBs;
19. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. (IST) on the Bid/Offer Closing Date;
20. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872, as amended (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
21. If you are a QIB or a Non-Institutional Bidder, do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage;
22. In case of ASBA Bidders, do not submit more than five Bid cum Application Forms per ASBA Account;
23. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or

to the brokers other than the Registered Brokers at a location other than the Broker Centres;

24. Do not submit ASBA Bids to a member of the Syndicate in the Specified Locations unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Location, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>, updated from time to time); and
25. Do not submit ASBA Bids to a Registered Broker unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Registered Broker to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment instructions

In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, separate clearing session operates only once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Offer Closing Date, Bidders are advised to use CTS cheques or use the ASBA facility to make payment.

BIDDERS ARE CAUTIONED THAT BID CUM APPLICATION FORMS ACCOMPANIED BY NON-CTS CHEQUES ARE LIABLE TO BE REJECTED DUE TO ANY DELAY IN CLEARING BEYOND SIX WORKING DAYS FROM THE BID/OFFER CLOSING DATE.

PLEASE NOTE THAT IN THE EVENT OF A DELAY BEYOND SIX WORKING DAYS FROM THE BID/OFFER CLOSING DATE IN CLEARING THE CHEQUES ACCOMPANYING THE BID CUM APPLICATION FORMS, FOR ANY REASON WHATSOEVER, SUCH BID CUM APPLICATION FORMS WILL BE LIABLE TO BE REJECTED.

Payment into Escrow Account for non-ASBA Bidders

The payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Retail Individual Bidders: “[●]”
- (b) In case of Non-Resident Retail Individual Bidders: “[●]”

Our Company and the Selling Shareholder in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in [●] edition of an English national newspaper [●], [●] edition of a Hindi national newspaper [●] and [●] edition of a Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

Our Company, the Selling Shareholder and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in

accordance with the applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Undertakings by our Company

Our Company undertakes the following that:

- if our Company or the Selling Shareholder do not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- if our Company and the Selling Shareholder withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company and/or any Selling Shareholder subsequently decides to proceed with the Offer;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within twelve Working Days of Bid/Offer Closing Date;
- Allotment letters shall be issued or application money shall be refunded within 15 days from the Bid/Offer Closing Date or such lesser time specified by SEBI, else application money shall be refunded forthwith, failing which interest shall be due to the applicants at the rate of 15% per annum for the delayed period;
- the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company and the Selling Shareholder;
- where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 days from the Bid/Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- the certificates of the securities/ refund orders to Eligible NRIs shall be despatched within specified time;
- except as disclosed in this Draft Red Herring Prospectus, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription, etc.; and
- adequate arrangements shall be made to collect all Bid cum Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment.

Undertakings by the Selling Shareholder

The Selling Shareholder undertakes that:

- the Equity Shares being sold by it pursuant to the Offer, have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;
- it is the legal and beneficial owner of, and has full title to, the Equity Shares being sold in the Offer;
- the Equity Shares being sold by it pursuant to the Offer are and shall be upon transfer free and clear of any liens or encumbrances and shall be transferred to the Bidders within the time specified under applicable law;
- it shall provide complete co-operation as requested by our Company in relation to the completion of

Allotment and dispatch of the Allotment Advice and CAN, and refund orders, if required.

- it shall provide complete support and co-operation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer. The Selling Shareholder has authorised the Compliance Officer and the Registrar to the Offer to redress such investor grievances;
- funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the Red Herring Prospectus and the Prospectus shall be made available to the Registrar to the Offer by the Selling Shareholder;
- it shall provide complete support and co-operation as may be required by our Company in sending a suitable communication, where refunds are made through electronic transfer of funds, to the applicant within 12 days from the Bid/Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
- if the Selling Shareholder does not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre- Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly. It shall extend complete co-operation requested by our Company and the Book Running Lead Managers in this regard;
- it shall not further transfer the Equity Shares offered in the Offer for Sale except in the Offer during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;
- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and
- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer.

Utilisation of proceeds from the Offer

The Selling Shareholder along with our Company declare that all monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Offers

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issuer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Offers” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “**SEBI Regulations**”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may refer to “*Glossary and Abbreviations*”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter alia required to comply with the eligibility requirements in terms of Regulation 26/27 of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI Regulations, the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Offers – Fixed Price Offers and Book Built Offers

In accordance with the provisions of the SEBI Regulations, an Issuer can either determine the Offer Price through the Book Building Process (“**Book Built Offer**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Offer) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Offer) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

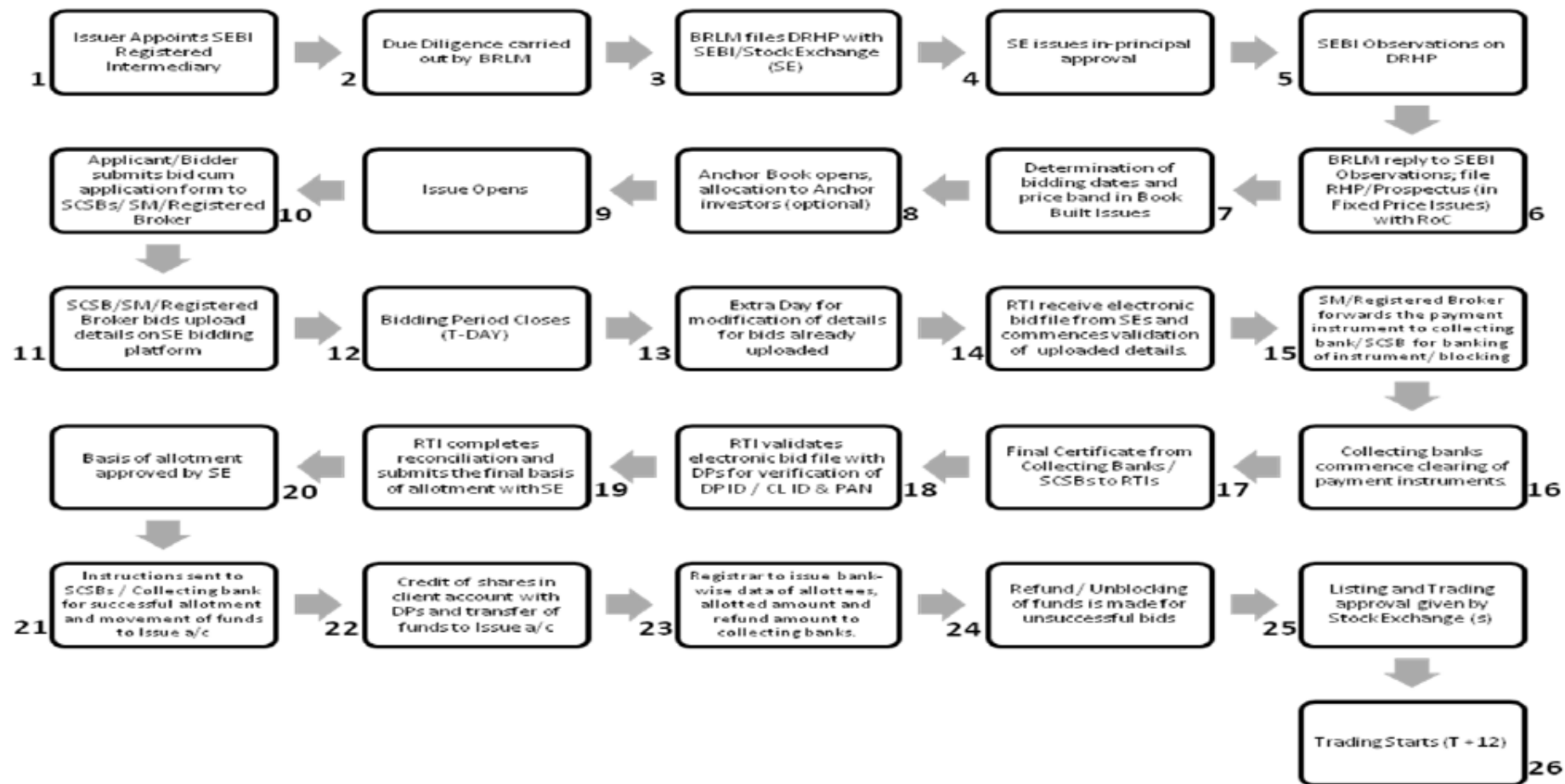
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by at least three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
 - i. Step 7 : Determination of Issue Date and Price
 - ii. Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and Non-ASBA forms directly to collection Bank and not to Broker.
 - iii. Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform
 - iv. Step 12: Issue period closes
 - v. Step 15: Not Applicable



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs, and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Color of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants bidding/applying in the reserved category	[As specified by the Issuer]

Securities offered in an IPO can only be in dematerialised form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA **XYZ LIMITED - PUBLIC ISSUE - R** **FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI'S APPLYING ON A NON-REPATRIATION BASIS**

Logo To, The Board of Directors XYZ Limited **BOOK BUILDING ISSUE** **Bid cum Application Form No.** IN

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S/AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS of Sole / First Applicant Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
ESCROW/BANK/SCSB BRANCH STAMP & CODE	SUB-BROKER'S/SUB-AGENT'S STAMP & CODE	
BANK BRANCH SERIAL NO.	REGISTRAR'S / SCSB SERIAL NO.	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID		6. Investor Status ☐ Individual(s) - IND ☐ Hindu Undivided Family* - HUF ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - MF ☐ Non-Resident Indians - NRI (Non-Repatriation basis) ☐ National Investment Fund - NIF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VC ☐ Others (Please specify) - OTH * HUF should apply only through Karta (Application by HUF would be treated on par with Individual)																											
4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")																													
<table border="1"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Discount, if any</th> <th>Net Price</th> <th>"Cut-off" (Please tick)</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>7 6 5 4 3 2 1</td> <td>4 3 2 1</td> <td>4 3 2 1</td> <td>4 3 2 1</td> <td>☐</td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> <td>☐</td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> <td>☐</td> </tr> </tbody> </table>			Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)	Option 1	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	☐	(OR) Option 2					☐	(OR) Option 3				
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																											
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Option 1	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	☐																								
(OR) Option 2					☐																								
(OR) Option 3					☐																								

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) Amount Paid (₹ in figures) _____ (₹ in words) _____ ☐ (A) CHEQUE/ DEMAND DRAFT (DD) Cheque/DD No. _____ Dated DD MM YY Drawn on (Bank Name & Branch) _____ ☐ (B) ASBA Bank A/c No. _____ Bank Name & Branch _____	PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid Cum Application Form given overleaf.

8A. SIGNATURE OF SOLE/ FIRST APPLICANT _____ Date: _____, 2011	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system) _____

XYZ LIMITED Acknowledgement Slip for Syndicate Member / SCSB Bid cum Application Form No.	
DPID / CLID _____ PAN _____	Stamp & Signature of Banker
Amount Paid (₹ in figures) _____ Bank & Branch _____ Cheque / DD/ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____	

XYZ LIMITED	Option 1 Option 2 Option 3	Stamp & Signature of Syndicate Member / SCSB	Name of Sole / First Applicant
	No. of Equity Shares		
	Bid Price		
	Amount Paid (₹)		
	Cheque / DD/ASBA Bank A/c No. _____ Bank & Branch _____		
Acknowledgement Slip for Bidder Bid cum Application Form No.			

in which the Depository Account is held.

- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favour of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

 - a) ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
 - b) ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
 - c) ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***
 - d) ***shall be liable for action under Section 447.”***
- (e) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.
- (f) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

- (a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms/Application Forms which provide the GIR Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form/Application Form is liable to be rejected.
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Please note that refunds on account of our Company not receiving the minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to Section 5.6 (e)).
- (c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Book Running Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum

application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

- (e) Allotment: The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- b) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.
- c) RII may revise their bids till closure of the bidding period or withdraw their bids until finalisation of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- d) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- e) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- f) A Bid cannot be submitted for more than the Issue size.
- g) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- h) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e)).

4.1.4.2 Multiple Bids

- a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.
- b) Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.
- c) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- d) The following Bids may not be treated as multiple Bids:
 - i. Bids by Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.
Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - ii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iii. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5 : CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI Regulations for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of anchor investors based on allocation size, to the Anchor Investors, in accordance with the SEBI Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI Regulations. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI Regulations, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs, and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- (a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.
- (c) QIBs and NIIs can participate in the Issue only through the ASBA mechanism.
- (d) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft (“Non-ASBA Mechanism”).
- (e) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for non-ASBA Bidders:

- a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.
- b) For Bids made through a member of the Syndicate: The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the members of the Syndicate at Specified Locations.
- c) For Bids made through a Registered Broker: The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.
- d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.
- e) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.
- g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Bidders

- a) ASBA Bidders may submit the Bid cum Application Form either:
 - i. in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
 - ii. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - iii. in physical mode to a member of the Syndicate at the Specified Locations, or
 - iv. to Registered Brokers of the Stock Exchange
- b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f) ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- g) ASBA Bidders bidding through a Registered Broker should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms.
- h) ASBA Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as

the case may be.

- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/ Issue Closing Date.

4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 Discount (if applicable)

- a) The Discount is stated in absolute rupee terms.
- b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).
- d) Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (c) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
 - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
 - iv. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
 - v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or the BRLM(s) in case of any other complaints in relation to the Issue.
- (d) The following details (as applicable) should be quoted while making any queries –
 - i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted or
 - iii. In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof
 - iv. In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/ Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RII may revise their bids till closure of the bidding period or withdraw their bids until finalisation of allotment.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS												
Logo		To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE Bid cum Application Form No. INE523L01018												
SYNDICATE MEMBER'S STAMP & CODE		BROKER'S/AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant												
ESCROW BANK / SCSSB BRANCH STAMP & CODE		SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		Mr. / Ms. 												
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCSSB SERIAL NO.		Tel. No (with STD code) / Mobile 												
				2. PAN OF SOLE / FIRST APPLICANT												
				3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL												
				For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID												
PLEASE CHANGE MY BID																
4. FROM (as per last Bid or Revision)																
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)			Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)												
				(In Figures)												
	(In Figures)			Bid Price Discount, if any Net Price "Cut-off"												
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	(Please tick)
Option 1																☐
(OR) Option 2																☐
(OR) Option 3																☐
5. TO (Revised Bid)																
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)			Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)												
				(In Figures)												
	(In Figures)			Bid Price Discount, if any Net Price "Cut-off"												
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	(Please tick)
Option 1																☐
(OR) Option 2																☐
(OR) Option 3																☐
6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)																
PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment																
Additional Amount Paid (₹ in figures) (₹ in words) 																
☐ (A) CHEQUE/ DEMAND DRAFT (DD) ☐ (B) ASBA																
Cheque/DD No. Dated / / 			Bank A/c No. 													
Drawn on (Bank Name & Branch) 			Bank Name & Branch 													
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid revision Form given overleaf.																
7A. SIGNATURE OF SOLE/ JOINT APPLICANT(S)		7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (FOR ASBA OPTION ONLY)		BROKER'S / SCSSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)												
Date : _____, 2011		I/We authorize the SCSSB to do all acts as are necessary to make the Application in the Issue														
		1) _____ 2) _____ 3) _____														
TEAR HERE																
XYZ LIMITED BID REVISION FORM		Acknowledgement Slip for Syndicate Member / SCSSB		Bid cum Application Form No. 												
DPID / CLID 		PAN 		Stamp & Signature of Banker												
Additional Amount Paid (₹) 		Bank & Branch 														
Cheque / DD/ASBA Bank A/c No. 		Received from Mr./Ms. 														
Telephone / Mobile 		Email 														
TEAR HERE																
XYZ LIMITED BID REVISION FORM	Option 1	Option 2	Option 3	Acknowledgement of Syndicate Member / SCSSB												
	No. of Equity Shares 															
	Bid Price 			Name of Sole / First Applicant												
	Additional Amount Paid (₹) 															
	Cheque / DD/ASBA Bank A/c No. 															
Bank & Branch 			Acknowledgement Slip for Bidder													
			Bid cum Application Form No. 													

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.
- (b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate / Registered Broker to whom the original Bid was submitted.
- (e) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional

Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

- (f) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

4.2.4 FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

- (a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) Minimum Application Value and Bid Lot: The Issuer in consultation with the Book Running Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Issue size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) Multiple Applications: An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

- (i) The following applications may not be treated as multiple Bids:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI Regulations for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI Regulations specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 Instructions for non-ASBA Applicants:

Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).

For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s). If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.

Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the

Applicants until the Designated Date.

Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.3.5.2 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorised the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.3 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, alongwith instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected

ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.3.5.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

- 4.4.1 Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Non-ASBA Application	To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form To Registered Brokers
ASBA Application	To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres To the Designated branches of the SCSBs where the ASBA Account is maintained

- (a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.
- (b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.
- (c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (d) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of the SEBI Regulations. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- (a) During the Bid/ Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.
- (b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.
- (c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.
- (d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/ Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Managers at the end of the Bid/ Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/ Issue Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until finalisation of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the

ASBA Account.

- (b) In case a RII wishes to withdraw the Bid after the Bid/ Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalisation of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to:
 - i. the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,
 - ii. the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,
 - iii. the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or
- (b) With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.
- (c) The Book Running Lead Managers and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (d) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (e) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the Book Running Lead Managers and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (f) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the Book Running Lead Managers, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter alia, on the following grounds, which have been detailed at various places in this GID:-

- a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- b) Bids/Applications by OCBs;
- c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;
- e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

- g) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- h) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- k) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- m) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- o) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;
- p) Bids/Applications for a Bid/Application Amount of more than ₹ 200,000 by RIIs by applying through non-ASBA process;
- q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- t) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;
- u) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- v) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;
- w) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);
- x) ASBA Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

- z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

- (a) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.
- (b) Under-subscription in Retail category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Managers and the Designated Stock Exchange and in accordance with the SEBI Regulations. Unsubscribed portion in QIB category is not available for subscription to other categories.
- (c) In case of under-subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

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

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the Book Running Lead Managers, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above the Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) Alternate Method of Book Building

In case of FPOs, Issuer may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issue that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date.

In a fixed price Issue, allocation in the net Issue to the public category is made as follows: minimum fifty % to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this

category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI Regulations or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

1. In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;
2. In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:
 - i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - In case of allocation above ₹ 250 crore, a minimum of five Anchor Investors and a maximum of 15 Anchor Investors for allocation up to ₹ 250 crore; and
 - Additional 10 Anchor Investors for every additional ₹ 250 crore or part thereof, subject to minimum allotment of ₹ 5 crore per Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the Book Running Lead Managers, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (d) In the event the Issue Price is lower than the Anchor Investor Issue Price: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorised according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within 12 Working Days of the Bid/Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Bid/ Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not repaid within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, within 70 days from the Bid/ Issue Closing Date, the Issuer may forthwith, without interest refund the entire subscription amount received. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If there is a delay beyond the prescribed time, then the Issuer and every director of the Issuer who is an officer in default may be liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI Regulations comes for an Issue under Regulation 26(2) of SEBI Regulations but fails to allot at least 75% of the Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- (a) **In case of ASBA Bids/Applications:** Within 12 Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- (b) In case of Non-ASBA Bid/Applications: Within 12 Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allotment to Bidders/Applicants.
- (c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds on account of our Company not receiving the minimum subscription of 90% of the Issue, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (d) In the case of Bids from Eligible NRIs, FIIs and FPIs, refunds, if any, may generally be payable in Rupees only and net of bank charges and/or commission. If so desired, such payments in Rupees may be converted into USD or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) NECS—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;
- (b) NEFT—Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Bidders/Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders/Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) Direct Credit—Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) RTGS—Bidders/Applicants having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (e) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received.

- (f) Please note that refunds on account of our Company not receiving the minimum subscription of 90% of the Issue, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (g) For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 Mode of making refunds for ASBA Bidders/Applicants

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Bid/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI Regulations.
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issue in consultation with the Book Running Lead Managers, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA

Term	Description
Banker(s) to the Issue / Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issue
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid / Issue Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/Issue Closing Date
Bid/ Issue Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/Issue Opening Date
Bid/ Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI Regulations. Applicants/bidders may refer to the RHP/Prospectus for the Bid/Issue Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under the SEBI Regulations, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.

Term	Description
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issue. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issue
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under the SEBI Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account

Term	Description
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue /Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under the SEBI Regulations, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer/ Company	The Offer proposing the initial public offering/further public offering as applicable
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Offer Price may be decided by the Offer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Offer	The offer for sale of [●] Equity Shares comprising of
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors registered with SEBI, that are not QIBs or RIIs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs, and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA

Term	Description
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the IT Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under the SEBI Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issue
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI Regulations
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.

Term	Description
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in the Issue (excluding Bids from ASBA Bidders/Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government, the FDI Policy (as defined below) and FEMA. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of circular no. D/o IPP F. No. 5(1)/2015-FC-1 dated May 12, 2015 (“FDI Policy”), which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on May 11, 2015. However, Press Note 4 of 2015 dated April 24, 2015 regarding policy on foreign investment in pension sector, continues to remain effective. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) pursuant to Rule 144A of the U.S. Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Share Capital

Article 3 provides that “The authorised share capital of the Company is or shall be such amount as stated in Clause V of the Memorandum of Association, for the time being or as may be varied from time to time with the power to increase or reduce such Capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power also to divide the shares in the Capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions.”

Article 4 provides that “Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of Directors who may issue, allot or otherwise dispose of the same or any of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting. Board shall not issue any shares at a discount except issue of such class of shares as may be permitted by the Act.”

Article 5 provides that “The Company may issue equity shares with voting right and/or with differential voting rights as to dividend, voting or otherwise and preference shares in accordance with these Articles, the Act, the Rules and other applicable laws.”

Increase, reduction, alteration in capital and buy back of shares

Article 62 provides that “Subject to the provisions of the Act, the Company may, by resolution prescribed under the Act, increase its Share Capital by such sum, to be divided into shares of such amount or such class, as may be specified in the resolution.”

Article 63 provides that “Subject to the provisions of the Act, the Company may, by resolution prescribed under the Act:-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.”

Article 65 provides that “The Company may, by resolution prescribed under the Act reduce in any manner and with, and subject to, any incident authorized and such consent as may be required by law:-

- a) its share capital;
- b) any capital redemption reserve account;
- c) any share premium account; or
- d) any other reserve in the nature of capital.”

Article 71 provides that “Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.”

Payment of commission and brokerage

Article 20 provides that “The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with subscription to its shares, debentures or debentures stock of the Company, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be in accordance with the provisions of the Act and the Rules and shall be disclosed in the manner required therein. The rate or amount of the commission shall not exceed the rate or amount as prescribed in the rules made under subsection (6) of section 40 of the Act. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other. The Company may pay brokerage to the extent and in the manner prescribed under the Act in connection with subscription to its securities.”

Calls

Article 27 provides that “The Board may, from time to time, make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances. A call may be revoked or postponed at the discretion of the Board.”

Article 28 provides that “A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.”

Article 29 provides that “All calls shall be made on a uniform basis on all shares falling under the same class.” Further, an explanation to Article 29 provides that “Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.”

Article 30 provides that “If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person, who for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.”

Article 31 provides that “The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.”

Article 32 provides that “Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.”

Article 33 provides that “If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as may be fixed by the Board. The Board shall be at liberty to waive payment of any such interest wholly or in part.”

Article 34 provides that “Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.”

Article 35 provides that “The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.”

Article 36 provides that “The Board:-

- (a) may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the moneys so advanced, may (until the same would, but for such advance, become

presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the Member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.”

Forfeiture, surrender and lien

Article 37 provides that “If any Member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and all the expenses that may have been incurred by the Company by reason of non-payment.”

Article 38 provides that “The notice aforesaid shall:-

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.”

Article 39 provides that “If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.”

Article 40 provides that “Neither the receipt by the Company for a portion of any money which may from time to time be due from any Member in respect of his shares, nor any indulgence that may be granted by the Company, in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.”

Article 41 provides that “When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting Member and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Member but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.”

Article 42 provides that “A duly verified declaration in writing that the declarant is a director, the manager or secretary of the Company, and that share(s) in the Company have been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share(s). The Company may receive the consideration, if any, given for the share(s) on any sale, re-allotment or disposal thereof and may execute a transfer of share in favour of the person to whom the share is/are sold or disposed of. The transferee shall thereupon be registered as the holder of the share. The transferee shall not be bound to see the application of the purchase money, if any, nor shall his title to the share(s) be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of share(s).”

Article 43 provides that “A forfeiture of share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.”

Article 44 provides that “A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such moneys payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the moneys due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in

respect of the shares.”

Article 45 provides that “The forfeiture of share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.”

Article 46 provides that “Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser’s name to be entered in the Register of Members in respect of the shares sold and after his name has been entered the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person.”

Article 47 provides that “Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the respective shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.”

Article 48 provides that “The Board, may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering the same on such terms as it may think fit.”

Articles 49 provides that “The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.”

Article 50 provides that “The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.”

Article 21 provides that “The Company shall have a first and paramount lien :–

- a) on every share (not being a fully paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- b) on all shares (not being fully paid shares) standing registered in the name of a Member, for all monies presently payable by him or his estate to the Company:

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The fully paid shares shall be free from all lien.

The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.

Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company’s lien, if any, on such shares.”

Articles 22 provides that “The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien. Provided that no sale shall be made:

- a) unless a sum in respect of which the lien exists is presently payable; or
- b) until the expiration of 7 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.”

Article 23 provides that “To give effect to any such sale, the Board may authorize one of their Members or any other Officer of the Company to transfer the shares sold to the purchaser thereof. The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.”

Article 24 provides that “The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares, at the date of the sale.”

Article 25 provides that “In exercising the lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by any statute) be bound to recognize any equitable or other claim to, or interest in such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company’s lien shall prevail notwithstanding that it has received notice of any such claim.”

Article 26 provides that “The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures issued by the Company from time to time.”

Transfer and transmission of shares

Article 51 provides that “The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. The Company shall use a common form of transfer, subject to the provisions of the Act. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters administration, certificate of death or marriage, power of attorney or similar other document.”

Article 52 provides that “The Board may, subject to the right of appeal conferred by the Act and subject to the provisions of the Act, the Rules, Listing Agreement and any other applicable law decline to register:-

- a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve;
- b) any transfer of shares on which the Company has a lien;
- c) any transfer of shares where any statutory prohibition or any attachment or prohibitory order of a competent authority restrains the Company from transferring the shares out of the name of the transferor; or
- d) any transfer of shares where the transferor objects to the transfer provided he serves on the Company within a reasonable time a prohibitory order of a court of competent jurisdiction.”

Article 53 provides that “The Board may decline to recognize any instrument of transfer unless:-

- a) the instrument of transfer is in the form as prescribed in rules made under the Act;
- b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- c) the instrument of transfer is in respect of only one class of shares.

Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.”

In addition, Article 53(2) provides that “The Company shall send notice containing the reasons thereof within the time stipulated under the Act.”

Article 54 provides that “On giving not less than seven days' previous notice in accordance with the Act, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.”

Article 57 provides that “On the death of a Member, the survivor or survivors where the Member was a joint

holder, and his nominee or nominees and in absence of nominees the legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares. Nothing in this clause shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.”

Article 58 provides that “Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:-

- a) to be registered himself as holder of the share; or
- b) to make such transfer of the share as the deceased or insolvent Member could have made.

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency. The Company shall be fully indemnified by such person from all liability, if any, by action taken by the Board to give effect to such registration or transfer.”

Article 60 provides that “A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by Membership in relation to meetings of the Company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.”

Borrowing Powers

Article 127 provides that “Subject to the provisions of the Act and the Rules, the Board of directors may, from time to time at its discretion by a resolution passed at a Meeting of the Board, accept deposits from Members, either in advance or calls or otherwise, and generally raise or borrow or secure the payment of any sum or sum of moneys for the purpose of the Company not exceeding the aggregate of the Paid-up capital of the Company and its reserves. Provided, however, where the moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) exceed the aggregate of paid-up capital and free reserves as defined under the Act, the Directors shall not borrow such monies without the consent of the Company in general meeting by way of resolution prescribed under the Act.”

Article 128 provides that “The payment or re-payment of moneys borrowed aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular by a resolution passed at a meeting of the Board (and not by circular resolution).”

Article 129 provides that “The Board may, subject to and in accordance with the provisions of the Act and the Rules, issue debentures or debenture stocks or any other securities for borrowing moneys by the Company (secured or unsecured) and such debentures, debenture stocks and securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.”

Article 130 provides that “Subject to the provisions of the Act, any debenture, debenture stock may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as the Board may think fit including the terms related to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. However, debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting or through Postal Ballot by a special resolution.”

Conversion of shares into stock

Article 64 provides that “The directors, with the sanction of a Resolution of the Company in Ordinary General Meeting may convert any paid-up shares into stock and may re-convert any stock into paid-up shares of any denomination. Where shares are converted into stock:-

- a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the

same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- c) such of these Articles as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively unless the context otherwise requires.”

Convening General Meeting

Article 72 provides that “Subject to the provisions of the Act, an Annual General Meeting of the Members of the Company shall be held every year within six months after the expiry of each financial year, provided that not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, that is, between such time as prescribed in the Act, on any day that is not a National Holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated.”

Article 73 provides that “All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings.”

Article 74 provides that “The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting.”

Article 75 provides that “No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. No business shall be discussed or transacted at any General Meeting except election of Chairperson when the chair is vacant. Save as otherwise provided herein, the quorum for the General Meetings shall be as prescribed in the Act.”

Certain matters not to be included in Minutes

Article 80 (2) provides that “There shall not be included in the minutes any matter which, in the opinion of the Chair person of the meeting-

- a) is, or could reasonably be regarded as defamatory of any person; or
- b) is irrelevant or immaterial to the proceedings; or
- c) is detrimental to the interests of the Company.”

Votes of Members

Article 84 provides that “Subject to any rights or restrictions for the time being attached to any class or classes of shares:-

- a) on a show of hands, every Member present in person shall have one vote; and
- b) on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity share capital of the Company.”

Article 85 provides that “A Member may exercise his vote at a meeting by electronic means in accordance with the provisions of the Act and the Rules and shall vote only once.”

Article 86 provides that “In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.”

Article 90 provides that “No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.”

Article 79 provides that “On any business at any General Meeting, in case of equality of votes, whether on show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.”

Proxies

Article 94 provides that “Any member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf for that meeting. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.”

Article 95 provides that “An instrument appointing a proxy shall be in the form as prescribed in the Act and the Rules.”

Article 96 provides that “A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.”

Directors

Article 97 provides that “Unless otherwise determined by the Company in General Meeting, the number of directors shall not be less than 3(three) and shall not be more 15.”

Article 103 provides that “The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. The remuneration, if any, payable by the Company to each director including Non-Executive Director by way of fixed salary or commission on profits of the Company, etc., whether in respect of his services as a Managing Director or a Director in the whole or part time employment of the Company or otherwise shall be determined in accordance with and subject to the provisions of the Act. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid sitting fees as may be decided by the Board of Directors within the limit prescribed under the Act and all travelling, hotel and other expenses properly incurred by them:-

- a) in attending and returning from meetings of the Board of Directors or any Committee thereof or General Meetings of the Company;
- b) in connection with the business of the Company.

If any Director shall be called upon to perform extra services or to make any special exertion or efforts for any of the purposes of the Company or to give special attention to the business of the Company, which expression, shall include work done as a member of a Committee of the Board, the Board may, subject to the provisions of Sections 197 and 188 of the Act, remunerate the Director so doing, either by a fixed sum or otherwise; and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.”

Article 104 provides that “Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.”

Article 105 provides that “The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. An alternate director shall not hold office for a period longer than the permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.”

Key Managerial Personnel/Managing Director/Whole-Time Director

Article 124 provides that “In accordance with the provisions of the Act and the Rules, the Company shall have Key Managerial Personnel as mentioned in the Act. The appointment of Key Managerial Personnel shall be in accordance with the provisions of the Act and Rules, if any.

Article 125 provides that “Subject to the provisions of the Act:-

- a) A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the Board;
- b) A director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.
- c) A Key Managerial Personnel can be appointed as a director of any company, subject to compliance with the provisions of the Act.”

Proceedings of the Board

Article 113 provides that “The Board shall meet together at least four times in a year in such manner that not more than One hundred and twenty days shall intervene between two consecutive meetings. Not less than seven days’ notice of every meeting of the Board shall be given in writing to every Director whether in or outside India. In the case of Directors residing outside India, notice shall be sent by electronic mode. A meeting of the Directors may be held after giving a shorter notice as per the provisions of the Act. Subject to the provisions of the Act, the Board of directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. The Chairperson or any other director with the previous consent of the Board may, and the Company Secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. The quorum for a Board Meeting shall be as provided in the Act. The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Law.”

Article 121 provides that “Save as otherwise expressly provided in the Act, a resolution in writing, signed whether manually or by secure electronic mode, by a majority of the Members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.”

Dividends

Article 131 provides that “The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in General Meeting may declare a lesser dividend.”

Article 134(1) provides that “Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.”

Article 133 provides that “The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the

Company) as the Board may, from time to time, thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.”

Article 132 provides that “Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.”

Capitalisation of Profits

Article 69(1) provides that “The Company in general meeting may, upon recommendation of the Board, resolve:-

- a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend.”

In addition, Article 69(2) provides that “The sum aforesaid shall not be paid in cash but shall be applied subject to the provision as contained in the Act, either in or towards:-

- a) paying up any amounts for the time being unpaid on any shares held by such Members respectively;
- b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
- c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
- d) issuing fully paid-up bonus shares;
- e) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of these Articles, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares; and
- f) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.”

Winding up

Article 151 provides that “Subject to the provisions of the Act and the Rules:-

- a) If the Company shall be wound up, the liquidator may, in accordance with the provisions of the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.”

Indemnity and Insurance

Article 156 provides that “Subject to the provisions of the Act, every Director, Managing Director, Whole-time Director, Manager, Company Secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expenses) which such Director, Managing Director, Whole-time Director, Manager, Company Secretary and any other officer of the Company may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, Managing Director, Whole-time Director, Manager, Company Secretary or any

other officer or in any way in the discharge of his duties in such capacity including expenses.

Subject as aforesaid, every Director, Managing Director, Whole-time Director, Manager, Company Secretary and other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.”

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated September 28, 2015 between our Company, the Selling Shareholder and the BRLMs.
2. Agreement dated August 26, 2015 between our Company, the Selling Shareholder and the Registrar to the Offer.
3. Escrow Agreement dated [●] between our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members and the Escrow Collection Bank(s).
4. Share Escrow Agreement dated [●] between the Selling Shareholder, the BRLMs, our Company and the Escrow Agent.
5. Syndicate Agreement dated [●] between our Company, the Selling Shareholder, the BRLMs and the Syndicate Members.
6. Underwriting Agreement dated [●] between our Company, the Selling Shareholder and the Underwriters.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated December 23, 1996.
3. Certificate for commencement of business dated March 25, 1997.
4. Fresh certificate of incorporation consequent upon change in name dated June 25, 2001.
5. Resolution of the Board of Directors dated June 16, 2015 in relation to the Offer and other related matters.
6. Resolution of the board of directors of our Promoter dated July 31, 2015 approving the Offer for Sale.
7. Copies of the annual reports of our Company for the Financial Years 2015, 2014, 2013, 2012 and 2011.
8. The audit reports of the Statutory Auditors dated July 27, 2015 in relation to our Company's unconsolidated Restated Financial Statements and consolidated Restated Financial Statements, included in the Draft Red Herring Prospectus.
9. The Statement of Tax Benefits dated September 18, 2015 on from the Statutory Auditors.
10. Consent of the Directors, the BRLMs, Domestic Legal Counsel to our Company, Domestic Legal Counsel to the BRLMs, International Legal Counsel to the BRLMs, Registrar to the Offer, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

11. Consent letter dated September 28, 2015 from the Statutory Auditors for inclusion of their name as experts.
12. Employment agreement dated August 26, 2015 entered into between our Company and Sanjay Jalona.
13. Scheme of amalgamation entered into between ISRC and our Company, and order dated September 4, 2015 of the Bombay High Court approving the Scheme of the Amalgamation.
14. Scheme of amalgamation entered into between GDA Technologies and our Company, which has been filed with the Bombay High Court and the Madras High Court on August 7, 2015 and August 26, 2015 respectively.
15. Share subscription and shareholders' agreement dated October 11, 2012 entered into amongst Befula Investments, L&T Infotech South Africa and our Company.
16. Business transfer agreement dated December 16, 2013 entered into between LTTSL and our Company, as amended by addendum dated March 31, 2014 and addendum no. 1 dated June 19, 2014.
17. Due Diligence Certificate dated September 28, 2015 addressed to SEBI from the BRLMs.
18. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.
19. Tripartite agreement dated July 27, 2015 between our Company, NSDL and the Registrar to the Offer.
20. Tripartite agreement dated July 27, 2015 between our Company, CDSL and the Registrar to the Offer.
21. SEBI observation letter no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself in connection with the Offer for Sale, and the Equity Shares offered by it in the Offer for Sale, are true and correct.

Signed by the Selling Shareholder

For Larsen & Toubro Limited

Date: _____

Place: Mumbai

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

A. M. Naik
(Chairman, Non-Executive Director)

Sanjay Jalona
(Chief Executive Officer and Managing Director)

S. N. Subrahmanyam
(Non-Executive Director)

Samir Desai
(Independent Director)

M. M. Chitale
(Independent Director)

Vedika Bhandarkar
(Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

A. K. Sonthalia
(Chief Financial Officer)

Date: _____

Place: Mumbai